

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

524



FROM: Human Resources Department

SUBMITTAL DATE:
October 12, 2011

SUBJECT: Outside Investigator Panel Services Contracts for the Workers' Compensation Division.

RECOMMENDED MOTION: That the Board of Supervisors 1) Ratify and approve the attached six (6) sets of Renewal Contracts for the Workers' Compensation Division Outside Investigator Panel Services effective July 1, 2011 until June 30, 2014, with Ray Farmer Investigations, Steve Beckman doing business as Paul Chance Private Investigations, National Business Investigations, Corona Investigation Agency, Insight Subrosa Group and RJN Investigations, Inc. 2) Authorize the chairperson to sign four (4) copies of the attached Contracts. 3) Retain one (1) copy and return three (3) copies of the executed Contract to Human Resources for distribution.

BACKGROUND: Since the inception of the self insurance program for Workers' Compensation, the County has utilized outside investigators pursuant to a Board Approved panel.

S. Atin
Shawn Atin, Asst. Human Resources Director for
Barbara A. Olivier
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 150,409.64	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ to be determined by case assignment	For Fiscal Year:	2011/2012

SOURCE OF FUNDS: Workers' Compensation Appropriation 3 (ISF Fund 534220).	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:
APPROVE

BY: *Elizabeth J. Olson*
Elizabeth J. Olson

County Executive Office Signature

- Consent
- Policy
- Consent
- Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: October 25, 2011
xc: HR

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Dept Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 7.21.08 Item 3.83 | **District:** ALL | **Agenda Number:**

3.16

BACKGROUND continued:

The Workers' Compensation Division has developed a panel of outside investigators who have a proven track record working in a collaborative team approach with the Workers' Compensation Division to be successful in reducing costs while fighting vendor and employee fraud and abuse before the Workers' Compensation Appeals Board.

These selected investigation firms (Attachment A) have demonstrated the skills and expertise necessary to assist the County of Riverside in the provision of benefits to employees while at the same time aiding to reduce costs.

There is no increase in the rates for these investigation firms from their previous contracts.

County Counsel has approved the contracts as to form. Risk Management has approved the contracts as to content and standards.

HUMAN RESOURCES - WORKERS' COMPENSATION DIVISION INVESTIGATION PANEL

<u>Investigators</u>	<u>Current Hourly Rate</u>	<u>New Hourly Rate</u>	<u>New Panel Members</u>	<u>Effective Until</u>
Corona Investigation Agency	\$60.00	No Change	NONE	6/30/14
Steve Beckman/Paul Chance	\$60.00	No Change		6/30/14
Ray Farmer Investigations	\$60.00	No Change		6/30/14
Insight Subrosa	\$60.00	No Change		6/30/14
National Business Investigations	\$60.00	No Change		6/30/14
R. J. N. Investigations	\$60.00	No Change		6/30/14

COUNTY OF RIVERSIDE
AGREEMENT FOR SERVICES

THIS Agreement is entered into in the State of California by and between the COUNTY OF RIVERSIDE, hereafter referred to as "County," and various vendors who are approved to represent the County, more specifically, by the name of **STEVE BECKMAN DBA: PAUL CHANCE PRIVATE INVESTIGATIONS**, hereafter referred to as "Vendor."

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the Vendor is familiar with and is competent in the area of expertise to which they are approved to represent the County and are qualified to represent the County's interest.

NOW, THEREFORE, in consideration of the remuneration hereinafter set forth, the Vendor agrees to the scope of work as provided by the County on the following terms and conditions:

1. Vendor shall have the right to decline any case referred by the County. Vendor shall determine that they will have no conflict of interest should they accept the assigned case. Further, acceptance of an assignment by Vendor shall place the Vendor and each and every one of his/her employees under the same Contract of Confidentiality as any County employee, in that Vendor and his/her employees may not discuss the facts of the case or release any information concerning the case and/or investigation to any party other than the Workers' Compensation Division, unless authorized in advanced to do so by the Claims Adjuster and/or Workers' Compensation Officer.
2. Each case referred to Vendor by County shall be submitted with the understanding that professional fees shall be paid at the rate of \$60.00 per hour, as outlined on Attachment A and effective for any work performed after this contract is approved by the Board of Supervisors.
3. The Vendor shall contact the County's Worker's Compensation Officer or designee for scope of work. Some of the types of service to be performed are listed on Attachment A, item 5.
4. This agreement shall be administered by the Human Resources/Workers' Compensation Division. All communications and billings in connection herewith shall be directed to County of Riverside, Workers' Compensation Division, P. O. Box 1120, Riverside, CA 92502-1102.
5. All communications shall be done in a professional and non-discriminatory manner. Unprofessional comments, observations, statements are not

allowed. This includes any belittling of the worker, applicant attorney, vendors, judges, etc. Any comments that could be construed as discriminatory, off-color, racist, sexist or exaggerations are not permitted. All communications should be written as if it might eventually be read by the person discussed in the communication.

6. Investigators shall take all steps possible to preserve and protect the privacy of any document. As such, any privacy sensitive document such as medical records, personnel documents, depositions, etc shall only be sent by e-mail where the e-mail is encrypted and protected from computer hackers. If this is not possible, then such documents shall only be submitted to the Workers' Compensation Division and other members involved in litigation of a claim via regular U.S. Postal services, delivery services, hand delivered or by FAX. Where encryption of e-mails is not available, the Investigator shall make only general statements and information when e-mailing the Workers' Compensation Division. Any sensitive information, recommendations or observations shall be provided to the Workers' Compensation Division by a more secure form of communication.

7. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

The Investigator(s) in this Agreement are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, and the laws and regulations promulgated subsequent thereto. The Investigator(s) hereto agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under this Law. The Investigator(s) further agree that it shall be in compliance, and shall remain in compliance with the requirement of HIPAA, and the laws and regulations promulgated subsequent hereto, as may be amended from time to time.

Investigator(s) agree to execute and abide by all terms and conditions of the County of Riverside's Board of Supervisors' Policy B-23, and of the Business Associate Agreement as attached hereto as Schedule B.

8. WORKERS' COMPENSATION FRAUD TRAINING

The Investigator(s) assigned to work cases for the County of Riverside per this contract shall attend any seminars, workshops, or classes requested by the Workers' Compensation Division and conducted by the County of Riverside's District Attorney's office for the purpose of training Investigator(s) in investigating and preparing a workers' compensation for referral to the

District Attorney's Office or the Department of Insurance Fraud Bureau for a party's possible violation of the Workers' Compensation Fraud Law.

9. The Vendor shall comply with the County of Riverside's guidelines.
10. The terms of this agreement shall be from the date as shown herein or any amendments thereto and shall continue until terminated as set forth herein. Either party to this agreement shall have the right to terminate this agreement at any time by giving thirty (30) days notice of such termination to the other party.
11. Should any party to this agreement choose to terminate this agreement, Vendor shall continue to provide services on any cases remaining if so agreed to, in writing, by the County's Workers Compensation Officer or designee and Vendor, and the Vendor shall be compensated therefore on the same terms and conditions as set forth until the conclusion of such case(s) for any cases previously referred to them (prior to the notice of cancellations).

12. Insurance

Without limiting or diminishing the Vendor's obligation to indemnify or hold the County harmless, Vendor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement.

A. Workers' Compensation:

If the Vendor has employees as defined by the State of California, the Vendor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. The policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage and employment practices liability, covering claims which may arise from or out of Vendor's performance of its obligations hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than

two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Vendor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

D. Professional Liability Insurance:

Vendor shall maintain Professional Liability Insurance providing coverage for the Vendor' performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Vendor' Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and Vendor shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that Vendor has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this Agreement.

E. General Insurance Provisions - All lines:

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) The Vendor' insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self insured retention's unacceptable to the County, and at the election of the Country's Risk Manager, Vendor' carriers shall either; 1) reduce or eliminate such deductibles or self-insured retention's as respects this Agreement with

the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

- 3) Vendor shall cause Vendor's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. *Vendor shall not commence operations until the County has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*
- 4) It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 5) The County's Reserved Rights--Insurance. If this Agreement, including any extensions thereof, exceeds five (5) years the County reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Vendor has become inadequate.
- 6) Vendor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

- 7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County.
- 8) Vendor agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

13. Indemnification

Vendor shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Vendor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Vendor, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Vendor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged liability.

With respect to any action or claim subject to indemnification herein by Vendor, Vendor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Vendor' indemnification to County as set forth herein.

Vendor' obligation hereunder shall be satisfied when Vendor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe Vendor' obligations to indemnify and hold harmless the County herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782.

Such interpretation shall not relieve the Vendor from indemnifying the County to the fullest extent allowed by law.

COUNTY OF RIVERSIDE

By Bob Buster
Chairman, Board of Supervisors
BOB BUSTER

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board

By Kecia Harper-Ihem
Deputy

FORM APPROVED COUNTY COUNSEL

BY: Neal R. Kirnis DATE 10/25/11
NEAL R. KIRNIS

VENDOR

STEVE BECKMAN, DBA: PAUL
CHANCE PRIVATE INVESTIGATIONS.

Vendor Name
By Steve Beckman
(Name)

President, CFO.

(Title)

Place corporate seal here

HIPAA Business Associate Agreement
Addendum to Contract

Schedule B

Between the County of Riverside and

Steve Beckman, DBA: Paul Chance Private Investigations

This HIPAA Business Associate Agreement Addendum ("Addendum") supplements, and is made part of the **Agreement for Services** (the "Underlying Agreement") between the COUNTY OF RIVERSIDE ("County") and Steve Beckman, DBA: Paul Chance Private Investigations ("Contractor") as of the date of approval by both parties 7/1/2011.

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which Contractor provides services to County, and in conjunction with the provision of such services certain Protected Health Information ("PHI") may be made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act, Pub. L. No. 104-161 of 1996 ("HIPAA"), more specifically the regulations found at Title 45, CFR, Parts 160 and 164 (the "Privacy Rule"), as may be amended from time to time, which are applicable to the protection of any disclosure of PHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, Contractor, when a recipient of PHI from County, is a Business Associate as defined in the Privacy Rule; and,

WHEREAS, the parties agree that any disclosure or use of PHI be in compliance with the Privacy Rule or other applicable law;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Definitions. Unless otherwise provided in this Addendum, capitalized terms shall have the same meanings as set forth in the Privacy Rule, as may be amended from time to time.
2. Scope of Use and Disclosure by Contractor of County Disclosed PHI
 - A. Contractor shall be permitted to use PHI disclosed to it by the County:
 - (1) on behalf of the County, or to provide services to the County for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule if done by the County, or the minimum necessary policies and procedures of the County
 - (2) as necessary to perform any and all of its obligations under the Underlying Agreement.

- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or Required by Law, Contractor may:
- (1) use the PHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - (2) disclose the PHI in its possession to a third party for the purpose of Contractor's proper management and administration or to fulfill any legal responsibilities of Contractor. Contractor may disclose PHI as necessary for Contractor's operations only if:
 - (a) The disclosure is Required by Law; or
 - (b) Contractor obtains written assurances from any person or organization to which Contractor will disclose such PHI that the person or organization will:
 - (i) hold such PHI in confidence and use or further disclose it only for the purpose of which Contractor disclosed it to the third party, or as Required by Law; and,
 - (ii) the third party will notify Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - (3) aggregate the PHI and/or aggregate the PHI with that of other data for the purpose of providing County with data analyses related to the Underlying Agreement, or any other purpose, financial or otherwise, as requested by County.
 - (4) not disclose PHI disclosed to Contractor by County not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI as authorized in writing by County.
 - (5) de-identify any and all PHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Contractor agrees that it will neither use nor disclose PHI it receives from County, or from another business associate of County, except as permitted or required by this Addendum, or as Required by Law, or as otherwise permitted by law.

3. Obligations of Contractor. In connection with its use of PHI disclosed by County to Contractor, Contractor agrees to:

- A. Use or disclose PHI only as permitted or required by this Addendum or as Required by Law.
- B. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Addendum.

- C. To the extent practicable, mitigate any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of this Addendum.
 - D. Report to County any use or disclosure of PHI not provided for by this Addendum of which Contractor becomes aware.
 - E. Require sub-contractors or agents to whom Contractor provides PHI to agree to the same restrictions and conditions that apply to Contractor pursuant to this Addendum.
 - F. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use or disclosure of PHI created or received for or from the County.
 - G. Obtain and maintain knowledge of the applicable laws and regulations related to HIPAA, as may be amended from time to time.
4. PHI Access, Amendment and Disclosure Accounting. Contractor agrees to:
- A. Provide access, at the request of County, within five (5) days, to PHI in a Designated Record Set, to the County, or to an Individual as directed by the County.
 - B. To make any amendment(s) to PHI in a Designated Record Set that the County directs or agrees to at the request of County or an Individual within sixty (60) days of the request of County.
 - C. To assist the County in meeting its disclosure accounting under HIPAA:
 - (1) Contractor agrees to document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (2) Contractor agrees to provide to County or an Individual, within sixty (60) days, information collected in accordance with this section to permit the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (3) Contractor shall have available for the County the information required by this section for the six (6) years preceding the County's request for information (except the Contractor need have no information for disclosures occurring before April 14, 2003).
 - D. Make available to the County, or to the Secretary of Health and Human Services, Contractor's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining Contractor's compliance with the Privacy Rule, subject to any applicable legal restrictions.
 - E. Within thirty (30) days of receiving a written request from County, make available any and all information necessary for County to make an accounting of disclosures of County PHI by Contractor.

- F. Within thirty (30) days of receiving a written request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in Contractor's possession constitutes a Designated Record Set.
- G. Not make any disclosure of PHI that County would be prohibited from making.

5. Obligations of County.

- A. County agrees that it will make its best efforts to promptly notify Contractor in writing of any restrictions on the use and disclosure of PHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees that it will make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any Individual to use or disclose PHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees that it make it's best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use of disclosure of PHI.
- D. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by County, except as may be expressly permitted by the Privacy Rule.
- E. County will obtain any authorizations necessary for the use or disclosure of PHI, so that Contractor can perform its obligations under this Addendum and/or the Underlying Agreement.

6. Term and Termination.

- A. Term – this Addendum shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement, except as terminated by County as provided herein.
- B. Termination for Breach – County may terminate this Addendum, effective immediately, without cause, if County, in its sole discretion, determines that Contractor has breached a material provision of this Addendum. Alternatively, County may choose to provide Contractor with notice of the existence of an alleged material breach and afford Contractor with an opportunity to cure the alleged material breach. In the event Contractor fails to cure the breach to the satisfaction of County in a timely manner, County reserves the right to immediately terminate this Addendum.
- C. Effect of Termination – upon termination of this Addendum, for any reason, Contractor shall return or destroy all PHI received from the County, or created or received by Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI which is in possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.

- D. Destruction not Feasible – in the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide written notification to County of the conditions which make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI.

7. Hold Harmless/Indemnification

Contractor shall indemnify and hold harmless all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Contractor from indemnifying the County to the fullest extent allowed by law.

In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.

8. General Provisions.

- A. Amendment – the parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with the Privacy Rule and HIPAA generally.
- B. Survival – the respective rights and obligations of this Addendum shall survive the termination or expiration of this Addendum.
- C. Regulatory References – a reference in this Addendum to a section in the Privacy Rule means the section as in effect or as amended.
- D. Conflicts – any ambiguity in this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule and HIPAA generally.
- E. Interpretation of Addendum – this Addendum shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as set forth below:

VENDOR

By: *Steve R. Beerman*

Date: May 23, 2011

COUNTY OF RIVERSIDE

By: *Bob Buster*
BOB BUSTER
CHAIRMAN, BOARD OF SUPERVISORS

Date: OCT 25 2011

ATTEST:
KECIA HARPER-IHEM, Clerk
By *Kecia Harper-Ihem*
DEPUTY

Attachment A

For use with the **AGREEMENT FOR SERVICE**

1. Area of Services to be performed: General and Auto Liability
 Medical Malpractice
 Workers' Compensation
 Other _____

Hourly rate: \$60.00

Additional Expenses 51¢ / mile
Other \$150.00 per diem/day

Billing Cycle: Quarterly
 Monthly
 Special: Invoice to accompany each investigative report submitted

Effective date of Contract: Effective date signed by Board of Supervisors until June 30, 2014

2. Administered by: County of Riverside
Workers' Compensation
P. O. Box 1120
Riverside, CA 92502
951-955-3530
951-955-3544 (fax)

3. Contract is for: Panel
 Single case assignment
 Other _____

4. Name & Address of Vendor: Steve Beckman, DBA: Paul Chance Private Investigations
P. O. Box 8565
Riverside, CA 92515

5. Type of Services: Investigations
 AOE/COE
 Sub Rosa
 Fraud & Specialty cases
 Photocopy
 Medical Cost Containment
 Other

COUNTY OF RIVERSIDE WORKERS' COMPENSATION DIVISION
INVESTIGATION GUIDELINES

CLAIMS PHILOSOPHY:

Our claims philosophy is to be as aggressive in providing timely benefits and effective medical treatment on compensable claims as we are in fighting fraud or abuse of the system. The County of Riverside will generally begin with the concept that the employee is credible, and that events related concerning the injury are correct and true. Where there are indications to the contrary; the County of Riverside will shift into a neutral position on the claim and conduct discovery to collect enough evidence to determine the truth of the claim.

INVESTIGATION PROCESS:

The claims adjuster is the party that makes the final decision on the claim as to whether or not a claim should be accepted or denied. The investigator is a collection center to obtain evidence in the form of:

1. Statements – These should be in the form of a recorded statement to ensure that not only the information is correctly preserved, but the tone of the conversation and the emotions of the person being recorded can be determined. The investigator shall obtain the permission of the person being recorded. The investigator shall identify on the recording that the statement is being recorded and obtain the person's permission on tape that the recording is allowed. Should the investigator need to stop the recording, then the investigator needs to state on the recording that the recording is ending and advise the person whose statement is being taken that the recording is ending. If recording resumes, the investigator shall obtain the permission of the person on tape once more and identify that the statement is being recorded before resuming.

Where a party refuses to give a recorded statement, the investigator shall not attempt to record the party. Other methods shall be used to documents and preserve the information provided in the statement to the best of the investigator's ability. Where possible, a written statement signed and dated by the party is encouraged as an alternative to a recorded statement.

2. Records and Documents – There are basic documents that will be needed depending on the nature of the claim, the allegations, and the legal issues that may be raised. In most situations, the claims

adjuster can obtain these records and documents through their own contacts. However, where the claims adjuster has requested the investigator to obtain records or documents, if the investigator becomes aware of additional records or documents, the investigator should contact the claims adjuster or senior claims adjuster to determine if these additional records or documents should be obtained. Where these records or documents can be obtained at no additional charge, then the investigator is free to use his/her judgment in obtaining the additional records or documents. Certain records and documents are protected and the privacy of these documents must be respected. Examples of such documents are credit reports/ratings and bank account information.

3. Physical evidence – Where a third party may be responsible for the injury or a products liability case is a potential, then the investigator should work with the claims adjuster and the party with physical possession of the evidence to ensure that it is protected and a chain of possession can be established. Before physically removing physical evidence and transporting it back to the County of Riverside's Workers' Compensation Division, the investigator must discuss options and needs for the evidence with the claims adjuster or senior claims adjuster.
4. Sub-rosa – Only investigators trained in surveillance techniques and with experience in sub-rosa will be assigned to conduct sub-rosa on a case. The sub-rosa investigator must maintain safety and compliance with all privacy laws at all times. Entrapment is not allowed. Acting in an unsafe manner, creating a risk of danger to the investigator, the subject of the investigation or the public is not allowed. Violating a person's privacy is not allowed. If there is an expectation of privacy; then that expectation must be respected.

At no time shall a person's conversation or voice be recorded without their knowledge and permission.

When conducting sub-rosa on law enforcement or firefighters, the policy of the County of Riverside is that only retired law enforcement may be used to conduct sub-rosa on these employees.

It is understood that not every scenario can be prepared for; and there may be those times where the investigator may have his/her cover blown. It is mandatory that the investigator maintain a profession attitude, and act in a safe manner. Before disclosing the nature of the work or the assignment, the investigator is expected

to have a cover story in place to reduce the damage to the case. Should an investigator see indications that the cover may be blown or that the condition create a high potential of exposure, the investigator must break off the sub-rosa and leave the area in a safe manner.

Where the investigator's cover is blown, or if the investigator must break off sub-rosa or suspects they have been compromised, the investigator shall leave the area immediately in a safe manner and then contact the Workers' Compensation Division immediately to report the situation.

PROFESSIONALISM:

All communications, whether in the form of reports, e-mails, FAXs or phone conversation shall be kept at the highest level of professional standards. At no time shall the investigator belittle, insult, make fun of, slur, slam, use derogatory names or statement when referring to any party. Each report, conversation, document, etc shall be created with the intent that it will be presented to the party investigated and carried the potential of becoming a news story either in the newspaper, television or internet. Each case carries the potential of referral to the District Attorney and law requires that all evidence be turned over to the person accused of the crime. Any of the above practices can weaken the chances of a successful prosecution and will not be allowed.

CREDIBILITY:

It should go without saying, but just to ensure all parties understand the philosophy of the Workers' Compensation Division. It is our goal to uncover the truth. For this reason, the credibility of the investigator must be of the highest standard. Evidence must not be slanted, edited, or misrepresented from the actual event or conversation. All evidence must represent the most accurate account of the events filmed, or statement obtained. Any indication that evidence has been tampered, slanted or misrepresented will result in the investigator being barred from any further assignment for the County of Riverside.

ADDITIONAL STAFF:

The cost of an investigation is a consideration in the workers' Compensation Division's assignment of a case for outside investigation services. The investigator will not add additional investigators, staff, or hours/days to an assignment without first getting authorization from either the claims adjuster or the senior claims adjuster. To perform any of these actions may result in the investigator being forced to bear the cost of the additional investigators, staff, expenses, etc.

COST CONTAINMENT:

The Workers' Compensation Division strives to maintain a high quality of claims handling, while at the same time practicing common sense cost containment. Where information or results can be obtained at a less expensive method, the claims adjuster is encouraged to do so. This attitude should be adopted by the investigator and staff, and it is expected that he/she work with the County of Riverside to find more cost effective methods at obtaining the same or similar results needed in an investigation.

DECISION-MAKING:

It is the claims adjuster that makes the determination with regards to the compensability or non-compensability of a case. The investigator shall refrain from making recommendation as to whether an injury is covered or rises to the level of fraud either in writing or in communications with the claims adjuster. The investigator should present the evidence in its most credible form, reflecting the events as they happened or statements as they were given and leave the editorializing or decision making to the claims adjuster.

Investigative reports must refrain from trying to create a slant or indication as to which way the decision should go. When taking statements the investigator must not give his/her opinion as to the outcome of the investigation.

HOSTILE FREE ENVIRONMENT:

It is the policy of the County of Riverside to provide its employees a hostile/violence free work environment. This should extend to the claims investigation process as well.

Witnesses and subjects must not be pressures, threatened or encouraged to withdraw claims, provide statement, or encouraged pursue claims, obtain attorneys or dismiss attorneys. These can all be considered unfair claims practices under the insurance Code. These choices must always be the sole decision of the employee/witness. If the investigator perceives that the subject is becoming uncomfortable or threatened by the statement process; the investigator will give the party the opportunity to discontinue the statement.

The foregoing is not meant to be burdensome - it is meant to control and manage our costs as well as to be knowledgeable and involved with each of our cases. It is also designed to help the County of Riverside and the investigator to avoid potential issues that might lead to injury of the investigator or litigation for invasion of privacy or malicious prosecution. The cooperation of the investigator and his/her staff in meeting these goals is appreciated.



COUNTY OF
Riverside
HUMAN RESOURCES
Winner IPMA Award for Excellence

4080 Lemon Street, P.O. Box 1569 • Riverside, CA 92502 • (951) 955-3500
44-199 Monroe Street, Suite B • Indio, CA 92201 • (760) 863-8327

BARBARA A. OLIVIER, SPHR
ASST. COUNTY EXECUTIVE OFFICER
HUMAN RESOURCES DIRECTOR

SHAWN ATIN, SPHR
ASST. HUMAN RESOURCES DIRECTOR

WORKERS' COMPENSATION DIVISION VENDOR MARKETING GUIDELINES

As a member of the County of Riverside's panel for referrals, we wanted to take a moment to welcome you and to outline the marketing guidelines for our division. As a vendor you have no obligation to market your services. We have always held that a job well done is sufficient to continue to be used by our adjusters. We also understand keeping your name before adjusters does help bring you to mind when it is time to assign a case. Some vendors have sought to perform additional marketing and so these guidelines should help to avoid any problems or conflicts of interest that might damage our relationship.

The County of Riverside holds to the Labor Code 3820 standard that any form of compensation, inducement or remuneration for referral of business is a violation of the Fraud Law and such matters will have to be referred to our Special Investigation Unit. The following are permitted:

1. Offers to provide training and educational programs. Hotels, travel, gifts, etc are not.
2. Marketing items such as pens, stickies, and inexpensive items are permitted
3. Visit to the office to drop off Awards, reports or film is allowed. Brief visits to discuss cases or issues are appropriate. Disrupting the work of the office is not.
 - a. Bringing individual items: gift cards, or gifts to the adjuster; is not allowed
 - b. Occasionally dropping off pastries, cookies or fruit for the office as a whole is allowed but not expected. It should be limited and not for every visit.
4. Meals are generally not allowed unless the County employee pays for his/her own meal.
 - a. Where there is a need to meet to discuss a case and the County employee is out of the office for a training, appearance before the WCAB, etc. Meals are allowed but costs should be kept reasonable.
 - b. Meals should be within the regular time allowed for meals unless prior authorization is obtained or the meal is not during business hours.
5. Holidays and special events do create opportunities for gift giving, marketing, etc. Please limit such actions to the office as a whole and not individually, make prior arrangements with management, and make sure marketing is appropriate. Alcohol, trips, expensive gifts and gift cards are not allowed.
6. The rule is, if you are unsure marketing is appropriate, please discuss with management before proceeding.

Workers' Compensation Division
P.O. Box 1120, Riverside, CA 92502-1120 (951) 955-3530 Fax (951) 955-3544

COUNTY OF RIVERSIDE
AGREEMENT FOR SERVICES

THIS Agreement is entered into in the State of California by and between the COUNTY OF RIVERSIDE, hereafter referred to as "County," and various vendors who are approved to represent the County, more specifically, by the name of **NATIONAL BUSINESS INVESTIGATIONS**, hereafter referred to as "Vendor."

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the Vendor is familiar with and is competent in the area of expertise to which they are approved to represent the County and are qualified to represent the County's interest.

NOW, THEREFORE, in consideration of the remuneration hereinafter set forth, the Vendor agrees to the scope of work as provided by the County on the following terms and conditions:

1. Vendor shall have the right to decline any case referred by the County. Vendor shall determine that they will have no conflict of interest should they accept the assigned case. Further, acceptance of an assignment by Vendor shall place the Vendor and each and every one of his/her employees under the same Contract of Confidentiality as any County employee, in that Vendor and his/her employees may not discuss the facts of the case or release any information concerning the case and/or investigation to any party other than the Workers' Compensation Division, unless authorized in advanced to do so by the Claims Adjuster and/or Workers' Compensation Officer.
2. Each case referred to Vendor by County shall be submitted with the understanding that professional fees shall be paid at the rate of \$60.00 per hour, as outlined on Attachment A and effective for any work performed after this contract is approved by the Board of Supervisors.
3. The Vendor shall contact the County's Worker's Compensation Officer or designee for scope of work. Some of the types of service to be performed are listed on Attachment A, item 5.
4. This agreement shall be administered by the Human Resources/Workers' Compensation Division. All communications and billings in connection herewith shall be directed to County of Riverside, Workers' Compensation Division, P. O. Box 1120, Riverside, CA 92502-1102.
5. All communications shall be done in a professional and non-discriminatory manner. Unprofessional comments, observations, statements are not

allowed. This includes any belittling of the worker, applicant attorney, vendors, judges, etc. Any comments that could be construed as discriminatory, off-color, racist, sexist or exaggerations are not permitted. All communications should be written as if it might eventually be read by the person discussed in the communication.

6. Investigators shall take all steps possible to preserve and protect the privacy of any document. As such, any privacy sensitive document such as medical records, personnel documents, depositions, etc shall only be sent by e-mail where the e-mail is encrypted and protected from computer hackers. If this is not possible, then such documents shall only be submitted to the Workers' Compensation Division and other members involved in litigation of a claim via regular U.S. Postal services, delivery services, hand delivered or by FAX. Where encryption of e-mails is not available, the Investigator shall make only general statements and information when e-mailing the Workers' Compensation Division. Any sensitive information, recommendations or observations shall be provided to the Workers' Compensation Division by a more secure form of communication.

7. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

The Investigator(s) in this Agreement are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, and the laws and regulations promulgated subsequent thereto. The Investigator(s) hereto agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under this Law. The Investigator(s) further agree that it shall be in compliance, and shall remain in compliance with the requirement of HIPAA, and the laws and regulations promulgated subsequent hereto, as may be amended from time to time.

Investigator(s) agree to execute and abide by all terms and conditions of the County of Riverside's Board of Supervisors' Policy B-23, and of the Business Associate Agreement as attached hereto as Schedule B.

8. WORKERS' COMPENSATION FRAUD TRAINING

The Investigator(s) assigned to work cases for the County of Riverside per this contract shall attend any seminars, workshops, or classes requested by the Workers' Compensation Division and conducted by the County of Riverside's District Attorney's office for the purpose of training Investigator(s) in investigating and preparing a workers' compensation for referral to the

District Attorney's Office or the Department of Insurance Fraud Bureau for a party's possible violation of the Workers' Compensation Fraud Law.

9. The Vendor shall comply with the County of Riverside's guidelines.
10. The terms of this agreement shall be from the date as shown herein or any amendments thereto and shall continue until terminated as set forth herein. Either party to this agreement shall have the right to terminate this agreement at any time by giving thirty (30) days notice of such termination to the other party.
11. Should any party to this agreement choose to terminate this agreement, Vendor shall continue to provide services on any cases remaining if so agreed to, in writing, by the County's Workers Compensation Officer or designee and Vendor, and the Vendor shall be compensated therefore on the same terms and conditions as set forth until the conclusion of such case(s) for any cases previously referred to them (prior to the notice of cancellations).
12. Insurance
Without limiting or diminishing the Vendor's obligation to indemnify or hold the County harmless, Vendor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement.
 - A. Workers' Compensation:
If the Vendor has employees as defined by the State of California, the Vendor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. The policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.
 - B. Commercial General Liability:
Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage and employment practices liability, covering claims which may arise from or out of Vendor's performance of its obligations hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than

two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Vendor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

D. Professional Liability Insurance:

Vendor shall maintain Professional Liability Insurance providing coverage for the Vendor' performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Vendor' Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and Vendor shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that Vendor has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this Agreement.

E. General Insurance Provisions - All lines:

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) The Vendor' insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self insured retention's unacceptable to the County, and at the election of the Country's Risk Manager, Vendor' carriers shall either; 1) reduce or eliminate such deductibles or self-insured retention's as respects this Agreement with

the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

- 3) Vendor shall cause Vendor's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. *Vendor shall not commence operations until the County has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*
- 4) It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 5) The County's Reserved Rights--Insurance. If this Agreement, including any extensions thereof, exceeds five (5) years the County reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Vendor has become inadequate.
- 6) Vendor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

- 7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County.
- 8) Vendor agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

13. Indemnification

Vendor shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Vendor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Vendor, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Vendor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged liability.

With respect to any action or claim subject to indemnification herein by Vendor, Vendor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Vendor' indemnification to County as set forth herein.

Vendor' obligation hereunder shall be satisfied when Vendor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe Vendor' obligations to indemnify and hold harmless the County herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782.

Such interpretation shall not relieve the Vendor from indemnifying the County to the fullest extent allowed by law.

COUNTY OF RIVERSIDE

By Bob Buster
Chairman, Board of Supervisors
BOB BUSTER

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board

By [Signature]
Deputy

VENDOR
National Business Investigations

Vendor Name
By [Signature]
Michael D. Julian

President

Place corporate seal here

FORM APPROVED COUNTY COUNSEL
BY: [Signature]
NEAL R. KIPNIS DATE

HIPAA Business Associate Agreement
Addendum to Contract

Schedule B

Between the County of Riverside and

National Business Investigations, Inc.

This HIPAA Business Associate Agreement Addendum (“Addendum”) supplements, and is made part of the **Agreement for Services** (the “Underlying Agreement”) between the COUNTY OF RIVERSIDE (“County”) and National Business Investigations, Inc. (“Contractor”) as of the date of approval by both parties 7/1/2011.

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which Contractor provides services to County, and in conjunction with the provision of such services certain Protected Health Information (“PHI”) may be made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act, Pub. L. No. 104-161 of 1996 (“HIPAA”), more specifically the regulations found at Title 45, CFR, Parts 160 and 164 (the “Privacy Rule”), as may be amended from time to time, which are applicable to the protection of any disclosure of PHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, Contractor, when a recipient of PHI from County, is a Business Associate as defined in the Privacy Rule; and,

WHEREAS, the parties agree that any disclosure or use of PHI be in compliance with the Privacy Rule or other applicable law;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Definitions. Unless otherwise provided in this Addendum, capitalized terms shall have the same meanings as set forth in the Privacy Rule, as may be amended from time to time.
2. Scope of Use and Disclosure by Contractor of County Disclosed PHI
 - A. Contractor shall be permitted to use PHI disclosed to it by the County:
 - (1) on behalf of the County, or to provide services to the County for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule if done by the County, or the minimum necessary policies and procedures of the County
 - (2) as necessary to perform any and all of its obligations under the Underlying Agreement.

- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or Required by Law, Contractor may:
- (1) use the PHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - (2) disclose the PHI in its possession to a third party for the purpose of Contractor's proper management and administration or to fulfill any legal responsibilities of Contractor. Contractor may disclose PHI as necessary for Contractor's operations only if:
 - (a) The disclosure is Required by Law; or
 - (b) Contractor obtains written assurances from any person or organization to which Contractor will disclose such PHI that the person or organization will:
 - (i) hold such PHI in confidence and use or further disclose it only for the purpose of which Contractor disclosed it to the third party, or as Required by Law; and,
 - (ii) the third party will notify Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - (3) aggregate the PHI and/or aggregate the PHI with that of other data for the purpose of providing County with data analyses related to the Underlying Agreement, or any other purpose, financial or otherwise, as requested by County.
 - (4) not disclose PHI disclosed to Contractor by County not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI as authorized in writing by County.
 - (5) de-identify any and all PHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Contractor agrees that it will neither use nor disclose PHI it receives from County, or from another business associate of County, except as permitted or required by this Addendum, or as Required by Law, or as otherwise permitted by law.

3. Obligations of Contractor. In connection with its use of PHI disclosed by County to Contractor, Contractor agrees to:

- A. Use or disclose PHI only as permitted or required by this Addendum or as Required by Law.
- B. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Addendum.

- C. To the extent practicable, mitigate any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of this Addendum.
 - D. Report to County any use or disclosure of PHI not provided for by this Addendum of which Contractor becomes aware.
 - E. Require sub-contractors or agents to whom Contractor provides PHI to agree to the same restrictions and conditions that apply to Contractor pursuant to this Addendum.
 - F. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use or disclosure of PHI created or received for or from the County.
 - G. Obtain and maintain knowledge of the applicable laws and regulations related to HIPAA, as may be amended from time to time.
4. PHI Access, Amendment and Disclosure Accounting. Contractor agrees to:
- A. Provide access, at the request of County, within five (5) days, to PHI in a Designated Record Set, to the County, or to an Individual as directed by the County.
 - B. To make any amendment(s) to PHI in a Designated Record Set that the County directs or agrees to at the request of County or an Individual within sixty (60) days of the request of County.
 - C. To assist the County in meeting its disclosure accounting under HIPAA:
 - (1) Contractor agrees to document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (2) Contractor agrees to provide to County or an Individual, within sixty (60) days, information collected in accordance with this section to permit the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (3) Contractor shall have available for the County the information required by this section for the six (6) years preceding the County's request for information (except the Contractor need have no information for disclosures occurring before April 14, 2003).
 - D. Make available to the County, or to the Secretary of Health and Human Services, Contractor's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining Contractor's compliance with the Privacy Rule, subject to any applicable legal restrictions.
 - E. Within thirty (30) days of receiving a written request from County, make available any and all information necessary for County to make an accounting of disclosures of County PHI by Contractor.

- F. Within thirty (30) days of receiving a written request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in Contractor's possession constitutes a Designated Record Set.
- G. Not make any disclosure of PHI that County would be prohibited from making.

5. Obligations of County.

- A. County agrees that it will make its best efforts to promptly notify Contractor in writing of any restrictions on the use and disclosure of PHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees that it will make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any Individual to use or disclose PHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees that it make it's best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use of disclosure of PHI.
- D. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by County, except as may be expressly permitted by the Privacy Rule.
- E. County will obtain any authorizations necessary for the use or disclosure of PHI, so that Contractor can perform its obligations under this Addendum and/or the Underlying Agreement.

6. Term and Termination.

- A. Term – this Addendum shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement, except as terminated by County as provided herein.
- B. Termination for Breach – County may terminate this Addendum, effective immediately, without cause, if County, in its sole discretion, determines that Contractor has breached a material provision of this Addendum. Alternatively, County may choose to provide Contractor with notice of the existence of an alleged material breach and afford Contractor with an opportunity to cure the alleged material breach. In the event Contractor fails to cure the breach to the satisfaction of County in a timely manner, County reserves the right to immediately terminate this Addendum.
- C. Effect of Termination – upon termination of this Addendum, for any reason, Contractor shall return or destroy all PHI received from the County, or created or received by Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI which is in possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.

- D. Destruction not Feasible – in the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide written notification to County of the conditions which make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI.

7. Hold Harmless/Indemnification

Contractor shall indemnify and hold harmless all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Contractor from indemnifying the County to the fullest extent allowed by law.

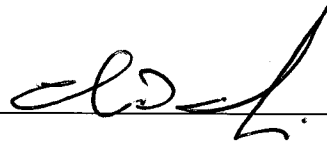
In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.

8. General Provisions.

- A. Amendment – the parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with the Privacy Rule and HIPAA generally.
- B. Survival – the respective rights and obligations of this Addendum shall survive the termination or expiration of this Addendum.
- C. Regulatory References – a reference in this Addendum to a section in the Privacy Rule means the section as in effect or as amended.
- D. Conflicts – any ambiguity in this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule and HIPAA generally.
- E. Interpretation of Addendum – this Addendum shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA.

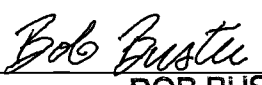
IN WITNESS WHEREOF, the parties hereto have executed this Addendum as set forth below:

VENDOR


By: 

Date: 5/20/11

COUNTY OF RIVERSIDE

By: 
BOB BUSTER
CHAIRMAN, BOARD OF SUPERVISORS

Date: OCT 25 2011

ATTEST:
KECIA HARPER-IHEM, Clerk
By: 
DEPUTY

Attachment A

For use with the **AGREEMENT FOR SERVICE**

1. Area of Services to be performed: General and Auto Liability
 Medical Malpractice
 Workers' Compensation
 Other _____

Hourly rate: \$60.00

Additional Expenses 51¢ / mile
Other \$150.00 per diem/day

Billing Cycle: Quarterly
 Monthly
 Special: Invoice to accompany each investigative report submitted

Effective date of Contract: Effective date signed by Board of Supervisors until June 30, 2014

2. Administered by: County of Riverside
Workers' Compensation
P. O. Box 1120
Riverside, CA 92502
951-955-3530
951-955-3544 (fax)

3. Contract is for: Panel
 Single case assignment
 Other _____

4. Name & Address of Vendor: NATIONAL BUSINESS INVESTIGATIONS, INC
24910 Las Brisas Road, Suite 105, Murrieta, CA 92562

5. Type of Services: Investigations
 AOE/COE
 Sub Rosa
 Fraud & Specialty cases
 Photocopy
 Medical Cost Containment
 Other

COUNTY OF RIVERSIDE WORKERS' COMPENSATION DIVISION
INVESTIGATION GUIDELINES

CLAIMS PHILOSOPHY:

Our claims philosophy is to be as aggressive in providing timely benefits and effective medical treatment on compensable claims as we are in fighting fraud or abuse of the system. The County of Riverside will generally begin with the concept that the employee is credible, and that events related concerning the injury are correct and true. Where there are indications to the contrary; the County of Riverside will shift into a neutral position on the claim and conduct discovery to collect enough evidence to determine the truth of the claim.

INVESTIGATION PROCESS:

The claims adjuster is the party that makes the final decision on the claim as to whether or not a claim should be accepted or denied. The investigator is a collection center to obtain evidence in the form of:

1. Statements – These should be in the form of a recorded statement to ensure that not only the information is correctly preserved, but the tone of the conversation and the emotions of the person being recorded can be determined. The investigator shall obtain the permission of the person being recorded. The investigator shall identify on the recording that the statement is being recorded and obtain the person's permission on tape that the recording is allowed. Should the investigator need to stop the recording, then the investigator needs to state on the recording that the recording is ending and advise the person whose statement is being taken that the recording is ending. If recording resumes, the investigator shall obtain the permission of the person on tape once more and identify that the statement is being recorded before resuming.

Where a party refuses to give a recorded statement, the investigator shall not attempt to record the party. Other methods shall be used to documents and preserve the information provided in the statement to the best of the investigator's ability. Where possible, a written statement signed and dated by the party is encouraged as an alternative to a recorded statement.

2. Records and Documents – There are basic documents that will be needed depending on the nature of the claim, the allegations, and the legal issues that may be raised. In most situations, the claims

adjuster can obtain these records and documents through their own contacts. However, where the claims adjuster has requested the investigator to obtain records or documents, if the investigator becomes aware of additional records or documents, the investigator should contact the claims adjuster or senior claims adjuster to determine if these additional records or documents should be obtained. Where these records or documents can be obtained at no additional charge, then the investigator is free to use his/her judgment in obtaining the additional records or documents. Certain records and documents are protected and the privacy of these documents must be respected. Examples of such documents are credit reports/ratings and bank account information.

3. Physical evidence – Where a third party may be responsible for the injury or a products liability case is a potential, then the investigator should work with the claims adjuster and the party with physical possession of the evidence to ensure that it is protected and a chain of possession can be established. Before physically removing physical evidence and transporting it back to the County of Riverside's Workers' Compensation Division, the investigator must discuss options and needs for the evidence with the claims adjuster or senior claims adjuster.
4. Sub-rosa – Only investigators trained in surveillance techniques and with experience in sub-rosa will be assigned to conduct sub-rosa on a case. The sub-rosa investigator must maintain safety and compliance with all privacy laws at all times. Entrapment is not allowed. Acting in an unsafe manner, creating a risk of danger to the investigator, the subject of the investigation or the public is not allowed. Violating a person's privacy is not allowed. If there is an expectation of privacy; then that expectation must be respected.

At no time shall a person's conversation or voice be recorded without their knowledge and permission.

When conducting sub-rosa on law enforcement or firefighters, the policy of the County of Riverside is that only retired law enforcement may be used to conduct sub-rosa on these employees.

It is understood that not every scenario can be prepared for; and there may be those times where the investigator may have his/her cover blown. It is mandatory that the investigator maintain a profession attitude, and act in a safe manner. Before disclosing the nature of the work or the assignment, the investigator is expected

to have a cover story in place to reduce the damage to the case. Should an investigator see indications that the cover may be blown or that the condition create a high potential of exposure, the investigator must break off the sub-rosa and leave the area in a safe manner.

Where the investigator's cover is blown, or if the investigator must break off sub-rosa or suspects they have been compromised, the investigator shall leave the area immediately in a safe manner and then contact the Workers' Compensation Division immediately to report the situation.

PROFESSIONALISM:

All communications, whether in the form of reports, e-mails, FAXs or phone conversation shall be kept at the highest level of professional standards. At no time shall the investigator belittle, insult, make fun of, slur, slam, use derogatory names or statement when referring to any party. Each report, conversation, document, etc shall be created with the intent that it will be presented to the party investigated and carried the potential of becoming a news story either in the newspaper, television or internet. Each case carries the potential of referral to the District Attorney and law requires that all evidence be turned over to the person accused of the crime. Any of the above practices can weaken the chances of a successful prosecution and will not be allowed.

CREDIBILITY:

It should go without saying, but just to ensure all parties understand the philosophy of the Workers' Compensation Division. It is our goal to uncover the truth. For this reason, the credibility of the investigator must be of the highest standard. Evidence must not be slanted, edited, or misrepresented from the actual event or conversation. All evidence must represent the most accurate account of the events filmed, or statement obtained. Any indication that evidence has been tampered, slanted or misrepresented will result in the investigator being barred from any further assignment for the County of Riverside.

ADDITIONAL STAFF:

The cost of an investigation is a consideration in the workers' Compensation Division's assignment of a case for outside investigation services. The investigator will not add additional investigators, staff, or hours/days to an assignment without first getting authorization from either the claims adjuster or the senior claims adjuster. To perform any of these actions may result in the investigator being forced to bear the cost of the additional investigators, staff, expenses, etc.

COST CONTAINMENT:

The Workers' Compensation Division strives to maintain a high quality of claims handling, while at the same time practicing common sense cost containment. Where information or results can be obtained at a less expensive method, the claims adjuster is encouraged to do so. This attitude should be adopted by the investigator and staff, and it is expected that he/she work with the County of Riverside to find more cost effective methods at obtaining the same or similar results needed in an investigation.

DECISION-MAKING:

It is the claims adjuster that makes the determination with regards to the compensability or non-compensability of a case. The investigator shall refrain from making recommendation as to whether an injury is covered or rises to the level of fraud either in writing or in communications with the claims adjuster. The investigator should present the evidence in its most credible form, reflecting the events as they happened or statements as they were given and leave the editorializing or decision making to the claims adjuster.

Investigative reports must refrain from trying to create a slant or indication as to which way the decision should go. When taking statements the investigator must not give his/her opinion as to the outcome of the investigation.

HOSTILE FREE ENVIRONMENT:

It is the policy of the County of Riverside to provide its employees a hostile/violence free work environment. This should extend to the claims investigation process as well.

Witnesses and subjects must not be pressures, threatened or encouraged to withdraw claims, provide statement, or encouraged pursue claims, obtain attorneys or dismiss attorneys. These can all be considered unfair claims practices under the insurance Code. These choices must always be the sole decision of the employee/witness. If the investigator perceives that the subject is becoming uncomfortable or threatened by the statement process; the investigator will give the party the opportunity to discontinue the statement.

The foregoing is not meant to be burdensome - it is meant to control and manage our costs as well as to be knowledgeable and involved with each of our cases. It is also designed to help the County of Riverside and the investigator to avoid potential issues that might lead to injury of the investigator or litigation for invasion of privacy or malicious prosecution. The cooperation of the investigator and his/her staff in meeting these goals is appreciated.



COUNTY OF
Riverside
HUMAN RESOURCES
Winner IPMA Award for Excellence

4080 Lemon Street, P.O. Box 1569 • Riverside, CA 92502 • (951) 955-3500
44-199 Monroe Street, Suite B • Indio, CA 92201 • (760) 863-8327

BARBARA A. OLIVIER, SPHR
ASST. COUNTY EXECUTIVE OFFICER
HUMAN RESOURCES DIRECTOR

SHAWN ATIN, SPHR
ASST. HUMAN RESOURCES DIRECTOR

**WORKERS' COMPENSATION DIVISION
VENDOR MARKETING GUIDELINES**

As a member of the County of Riverside's panel for referrals, we wanted to take a moment to welcome you and to outline the marketing guidelines for our division. As a vendor you have no obligation to market your services. We have always held that a job well done is sufficient to continue to be used by our adjusters. We also understand keeping your name before adjusters does help bring you to mind when it is time to assign a case. Some vendors have sought to perform additional marketing and so these guidelines should help to avoid any problems or conflicts of interest that might damage our relationship.

The County of Riverside holds to the Labor Code 3820 standard that any form of compensation, inducement or remuneration for referral of business is a violation of the Fraud Law and such matters will have to be referred to our Special Investigation Unit. The following are permitted:

1. Offers to provide training and educational programs. Hotels, travel, gifts, etc are not.
2. Marketing items such as pens, stickies, and inexpensive items are permitted
3. Visit to the office to drop off Awards, reports or film is allowed. Brief visits to discuss cases or issues are appropriate. Disrupting the work of the office is not.
 - a. Bringing individual items: gift cards, or gifts to the adjuster; is not allowed
 - b. Occasionally dropping off pastries, cookies or fruit for the office as a whole is allowed but not expected. It should be limited and not for every visit.
4. Meals are generally not allowed unless the County employee pays for his/her own meal.
 - a. Where there is a need to meet to discuss a case and the County employee is out of the office for a training, appearance before the WCAB, etc. Meals are allowed but costs should be kept reasonable.
 - b. Meals should be within the regular time allowed for meals unless prior authorization is obtained or the meal is not during business hours.
5. Holidays and special events do create opportunities for gift giving, marketing, etc. Please limit such actions to the office as a whole and not individually, make prior arrangements with management, and make sure marketing is appropriate. Alcohol, trips, expensive gifts and gift cards are not allowed.
6. The rule is, if you are unsure marketing is appropriate, please discuss with management before proceeding.

Workers' Compensation Division
P.O. Box 1120, Riverside, CA 92502-1120 (951) 955-3530 Fax (951) 955-3544

COUNTY OF RIVERSIDE
AGREEMENT FOR SERVICES

THIS Agreement is entered into in the State of California by and between the COUNTY OF RIVERSIDE, hereafter referred to as "County," and various vendors who are approved to represent the County, more specifically, by the name of **CORONA INVESTIGATION AGENCY**, hereafter referred to as "Vendor."

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the Vendor is familiar with and is competent in the area of expertise to which they are approved to represent the County and are qualified to represent the County's interest.

NOW, THEREFORE, in consideration of the remuneration hereinafter set forth, the Vendor agrees to the scope of work as provided by the County on the following terms and conditions:

1. Vendor shall have the right to decline any case referred by the County. Vendor shall determine that they will have no conflict of interest should they accept the assigned case. Further, acceptance of an assignment by Vendor shall place the Vendor and each and every one of his/her employees under the same Contract of Confidentiality as any County employee, in that Vendor and his/her employees may not discuss the facts of the case or release any information concerning the case and/or investigation to any party other than the Workers' Compensation Division, unless authorized in advanced to do so by the Claims Adjuster and/or Workers' Compensation Officer.
2. Each case referred to Vendor by County shall be submitted with the understanding that professional fees shall be paid at the rate of \$60.00 per hour, as outlined on Attachment A and effective for any work performed after this contract is approved by the Board of Supervisors.
3. The Vendor shall contact the County's Worker's Compensation Officer or designee for scope of work. Some of the types of service to be performed are listed on Attachment A, item 5.
4. This agreement shall be administered by the Human Resources/Workers' Compensation Division. All communications and billings in connection herewith shall be directed to County of Riverside, Workers' Compensation Division, P. O. Box 1120, Riverside, CA 92502-1102.
5. All communications shall be done in a professional and non-discriminatory manner. Unprofessional comments, observations, statements are not

allowed. This includes any belittling of the worker, applicant attorney, vendors, judges, etc. Any comments that could be construed as discriminatory, off-color, racist, sexist or exaggerations are not permitted. All communications should be written as if it might eventually be read by the person discussed in the communication.

6. Investigators shall take all steps possible to preserve and protect the privacy of any document. As such, any privacy sensitive document such as medical records, personnel documents, depositions, etc shall only be sent by e-mail where the e-mail is encrypted and protected from computer hackers. If this is not possible, then such documents shall only be submitted to the Workers' Compensation Division and other members involved in litigation of a claim via regular U .S. Postal services, delivery services, hand delivered or by FAX. Where encryption of e-mails is not available, the Investigator shall make only general statements and information when e-mailing the Workers' Compensation Division. Any sensitive information, recommendations or observations shall be provided to the Workers' Compensation Division by a more secure form of communication.

7. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

The Investigator(s) in this Agreement are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, and the laws and regulations promulgated subsequent thereto. The Investigator(s) hereto agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under this Law. The Investigator(s) further agree that it shall be in compliance, and shall remain in compliance with the requirement of HIPAA, and the laws and regulations promulgated subsequent hereto, as may be amended from time to time.

Investigator(s) agree to execute and abide by all terms and conditions of the County of Riverside's Board of Supervisors' Policy B-23, and of the Business Associate Agreement as attached hereto as Schedule B.

8. WORKERS' COMPENSATION FRAUD TRAINING

The Investigator(s) assigned to work cases for the County of Riverside per this contract shall attend any seminars, workshops, or classes requested by the Workers' Compensation Division and conducted by the County of Riverside's District Attorney's office for the purpose of training Investigator(s) in investigating and preparing a workers' compensation for referral to the

District Attorney's Office or the Department of Insurance Fraud Bureau for a party's possible violation of the Workers' Compensation Fraud Law.

9. The Vendor shall comply with the County of Riverside's guidelines.
10. The terms of this agreement shall be from the date as shown herein or any amendments thereto and shall continue until terminated as set forth herein. Either party to this agreement shall have the right to terminate this agreement at any time by giving thirty (30) days notice of such termination to the other party.
11. Should any party to this agreement choose to terminate this agreement, Vendor shall continue to provide services on any cases remaining if so agreed to, in writing, by the County's Workers Compensation Officer or designee and Vendor, and the Vendor shall be compensated therefore on the same terms and conditions as set forth until the conclusion of such case(s) for any cases previously referred to them (prior to the notice of cancellations).

12. Insurance

Without limiting or diminishing the Vendor's obligation to indemnify or hold the County harmless, Vendor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement.

A. Workers' Compensation:

If the Vendor has employees as defined by the State of California, the Vendor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. The policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage and employment practices liability, covering claims which may arise from or out of Vendor's performance of its obligations hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than

two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Vendor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

D. Professional Liability Insurance:

Vendor shall maintain Professional Liability Insurance providing coverage for the Vendor' performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Vendor' Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and Vendor shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that Vendor has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this Agreement.

E. General Insurance Provisions - All lines:

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) The Vendor' insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self insured retention's unacceptable to the County, and at the election of the Country's Risk Manager, Vendor' carriers shall either; 1) reduce or eliminate such deductibles or self-insured retention's as respects this Agreement with

the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

- 3) Vendor shall cause Vendor's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. *Vendor shall not commence operations until the County has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*
- 4) It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 5) The County's Reserved Rights--Insurance. If this Agreement, including any extensions thereof, exceeds five (5) years the County reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Vendor has become inadequate.
- 6) Vendor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

- 7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County.
- 8) Vendor agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

13. Indemnification

Vendor shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Vendor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Vendor, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Vendor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged liability.

With respect to any action or claim subject to indemnification herein by Vendor, Vendor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Vendor' indemnification to County as set forth herein.

Vendor' obligation hereunder shall be satisfied when Vendor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe Vendor' obligations to indemnify and hold harmless the County herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782.

Such interpretation shall not relieve the Vendor from indemnifying the County to the fullest extent allowed by law.

COUNTY OF RIVERSIDE

By Bob Buster
Chairman, Board of Supervisors
BOB BUSTER

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board

By [Signature]
Deputy

VENDOR
Corona Investigation Agency

Vendor Name
By [Signature]
(Name)

Owner
(Title)

Place corporate seal here

FORM APPROVED COUNTY COUNSEL
BY: [Signature]
NEAL R. KIPNIS DATE 10/25/11

COUNTY OF RIVERSIDE WORKERS' COMPENSATION DIVISION
INVESTIGATION GUIDELINES

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adjuster can obtain these records and documents through their own contacts. However, where the claims adjuster has requested the investigator to obtain records or documents, if the investigator becomes aware of additional records or documents, the investigator should contact the claims adjuster or senior claims adjuster to determine if these additional records or documents should be obtained. Where these records or documents can be obtained at no additional charge, then the investigator is free to use his/her judgment in obtaining the additional records or documents. Certain records and documents are protected and the privacy of these documents must be respected. Examples of such documents are credit reports/ratings and bank account information.

3. Physical evidence – Where a third party may be responsible for the injury or a products liability case is a potential, then the investigator should work with the claims adjuster and the party with physical possession of the evidence to ensure that it is protected and a chain of possession can be established. Before physically removing physical evidence and transporting it back to the County of Riverside's Workers' Compensation Division, the investigator must discuss options and needs for the evidence with the claims adjuster or senior claims adjuster.
4. Sub-rosa – Only investigators trained in surveillance techniques and with experience in sub-rosa will be assigned to conduct sub-rosa on a case. The sub-rosa investigator must maintain safety and compliance with all privacy laws at all times. Entrapment is not allowed. Acting in an unsafe manner, creating a risk of danger to the investigator, the subject of the investigation or the public is not allowed. Violating a person's privacy is not allowed. If there is an expectation of privacy; then that expectation must be respected.

At no time shall a person's conversation or voice be recorded without their knowledge and permission.

When conducting sub-rosa on law enforcement or firefighters, the policy of the County of Riverside is that only retired law enforcement may be used to conduct sub-rosa on these employees.

It is understood that not every scenario can be prepared for; and there may be those times where the investigator may have his/her cover blown. It is mandatory that the investigator maintain a profession attitude, and act in a safe manner. Before disclosing the nature of the work or the assignment, the investigator is expected

to have a cover story in place to reduce the damage to the case. Should an investigator see indications that the cover may be blown or that the condition create a high potential of exposure, the investigator must break off the sub-rosa and leave the area in a safe manner.

Where the investigator's cover is blown, or if the investigator must break off sub-rosa or suspects they have been compromised, the investigator shall leave the area immediately in a safe manner and then contact the Workers' Compensation Division immediately to report the situation.

PROFESSIONALISM:

All communications, whether in the form of reports, e-mails, FAXs or phone conversation shall be kept at the highest level of professional standards. At no time shall the investigator belittle, insult, make fun of, slur, slam, use derogatory names or statement when referring to any party. Each report, conversation, document, etc shall be created with the intent that it will be presented to the party investigated and carried the potential of becoming a news story either in the newspaper, television or internet. Each case carries the potential of referral to the District Attorney and law requires that all evidence be turned over to the person accused of the crime. Any of the above practices can weaken the chances of a successful prosecution and will not be allowed.

CREDIBILITY:

It should go without saying, but just to ensure all parties understand the philosophy of the Workers' Compensation Division. It is our goal to uncover the truth. For this reason, the credibility of the investigator must be of the highest standard. Evidence must not be slanted, edited, or misrepresented from the actual event or conversation. All evidence must represent the most accurate account of the events filmed, or statement obtained. Any indication that evidence has been tampered, slanted or misrepresented will result in the investigator being barred from any further assignment for the County of Riverside.

ADDITIONAL STAFF:

The cost of an investigation is a consideration in the workers' Compensation Division's assignment of a case for outside investigation services. The investigator will not add additional investigators, staff, or hours/days to an assignment without first getting authorization from either the claims adjuster or the senior claims adjuster. To perform any of these actions may result in the investigator being forced to bear the cost of the additional investigators, staff, expenses, etc.

COST CONTAINMENT:

The Workers' Compensation Division strives to maintain a high quality of claims handling, while at the same time practicing common sense cost containment. Where information or results can be obtained at a less expensive method, the claims adjuster is encouraged to do so. This attitude should be adopted by the investigator and staff, and it is expected that he/she work with the County of Riverside to find more cost effective methods at obtaining the same or similar results needed in an investigation.

DECISION-MAKING:

It is the claims adjuster that makes the determination with regards to the compensability or non-compensability of a case. The investigator shall refrain from making recommendation as to whether an injury is covered or rises to the level of fraud either in writing or in communications with the claims adjuster. The investigator should present the evidence in its most credible form, reflecting the events as they happened or statements as they were given and leave the editorializing or decision making to the claims adjuster.

Investigative reports must refrain from trying to create a slant or indication as to which way the decision should go. When taking statements the investigator must not give his/her opinion as to the outcome of the investigation.

HOSTILE FREE ENVIRONMENT:

It is the policy of the County of Riverside to provide its employees a hostile/violence free work environment. This should extend to the claims investigation process as well.

Witnesses and subjects must not be pressures, threatened or encouraged to withdraw claims, provide statement, or encouraged pursue claims, obtain attorneys or dismiss attorneys. These can all be considered unfair claims practices under the insurance Code. These choices must always be the sole decision of the employee/witness. If the investigator perceives that the subject is becoming uncomfortable or threatened by the statement process; the investigator will give the party the opportunity to discontinue the statement.

The foregoing is not meant to be burdensome - it is meant to control and manage our costs as well as to be knowledgeable and involved with each of our cases. It is also designed to help the County of Riverside and the investigator to avoid potential issues that might lead to injury of the investigator or litigation for invasion of privacy or malicious prosecution. The cooperation of the investigator and his/her staff in meeting these goals is appreciated.

Attachment A

For use with the **AGREEMENT FOR SERVICE**

1. Area of Services to be performed: General and Auto Liability
 Medical Malpractice
 Workers' Compensation
 Other _____

Hourly rate: \$60.00

Additional Expenses 51¢ / mile
Other _____

- Billing Cycle: Quarterly
 Monthly
 Special: Invoice to accompany each investigative report submitted

Effective date of Contract: Effective date signed by Board of Supervisors until June 30, 2014

2. Administered by: County of Riverside
Workers' Compensation
P. O. Box 1120
Riverside, CA 92502
951-955-3530
951-955-3544 (fax)

3. Contract is for: Panel
 Single case assignment
 Other _____

4. Name & Address of Vendor: Corona Investigation Agency
400 S. Ramona Ave Suite 212
Corona, CA 92879-1448

5. Type of Services: Investigations
 AOE/COE
 Sub Rosa
 Fraud & Specialty cases
 Photocopy
 Medical Cost Containment
 Other

HIPAA Business Associate Agreement
Addendum to Contract

Schedule B

Between the County of Riverside and

Corona Investigation Agency

This HIPAA Business Associate Agreement Addendum ("Addendum") supplements, and is made part of the **Agreement for Services** (the "Underlying Agreement") between the COUNTY OF RIVERSIDE ("County") and Corona Investigation Agency ("Contractor") as of the date of approval by both parties 7/1/2011.

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which Contractor provides services to County, and in conjunction with the provision of such services certain Protected Health Information ("PHI") may be made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act, Pub. L. No. 104-161 of 1996 ("HIPAA"), more specifically the regulations found at Title 45, CFR, Parts 160 and 164 (the "Privacy Rule"), as may be amended from time to time, which are applicable to the protection of any disclosure of PHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, Contractor, when a recipient of PHI from County, is a Business Associate as defined in the Privacy Rule; and,

WHEREAS, the parties agree that any disclosure or use of PHI be in compliance with the Privacy Rule or other applicable law;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Definitions. Unless otherwise provided in this Addendum, capitalized terms shall have the same meanings as set forth in the Privacy Rule, as may be amended from time to time.
2. Scope of Use and Disclosure by Contractor of County Disclosed PHI
 - A. Contractor shall be permitted to use PHI disclosed to it by the County:
 - (1) on behalf of the County, or to provide services to the County for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule if done by the County, or the minimum necessary policies and procedures of the County
 - (2) as necessary to perform any and all of its obligations under the Underlying Agreement.

- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or Required by Law, Contractor may:
- (1) use the PHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - (2) disclose the PHI in its possession to a third party for the purpose of Contractor's proper management and administration or to fulfill any legal responsibilities of Contractor. Contractor may disclose PHI as necessary for Contractor's operations only if:
 - (a) The disclosure is Required by Law; or
 - (b) Contractor obtains written assurances from any person or organization to which Contractor will disclose such PHI that the person or organization will:
 - (i) hold such PHI in confidence and use or further disclose it only for the purpose of which Contractor disclosed it to the third party, or as Required by Law; and,
 - (ii) the third party will notify Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - (3) aggregate the PHI and/or aggregate the PHI with that of other data for the purpose of providing County with data analyses related to the Underlying Agreement, or any other purpose, financial or otherwise, as requested by County.
 - (4) not disclose PHI disclosed to Contractor by County not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI as authorized in writing by County.
 - (5) de-identify any and all PHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Contractor agrees that it will neither use nor disclose PHI it receives from County, or from another business associate of County, except as permitted or required by this Addendum, or as Required by Law, or as otherwise permitted by law.

3. Obligations of Contractor. In connection with its use of PHI disclosed by County to Contractor, Contractor agrees to:

- A. Use or disclose PHI only as permitted or required by this Addendum or as Required by Law.
- B. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Addendum.

- C. To the extent practicable, mitigate any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of this Addendum.
- D. Report to County any use or disclosure of PHI not provided for by this Addendum of which Contractor becomes aware.
- E. Require sub-contractors or agents to whom Contractor provides PHI to agree to the same restrictions and conditions that apply to Contractor pursuant to this Addendum.
- F. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use or disclosure of PHI created or received for or from the County.
- G. Obtain and maintain knowledge of the applicable laws and regulations related to HIPAA, as may be amended from time to time.

4. PHI Access, Amendment and Disclosure Accounting. Contractor agrees to:

- A. Provide access, at the request of County, within five (5) days, to PHI in a Designated Record Set, to the County, or to an Individual as directed by the County.
- B. To make any amendment(s) to PHI in a Designated Record Set that the County directs or agrees to at the request of County or an Individual within sixty (60) days of the request of County.
- C. To assist the County in meeting its disclosure accounting under HIPAA:
 - (1) Contractor agrees to document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (2) Contractor agrees to provide to County or an Individual, within sixty (60) days, information collected in accordance with this section to permit the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (3) Contractor shall have available for the County the information required by this section for the six (6) years preceding the County's request for information (except the Contractor need have no information for disclosures occurring before April 14, 2003).
- D. Make available to the County, or to the Secretary of Health and Human Services, Contractor's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining Contractor's compliance with the Privacy Rule, subject to any applicable legal restrictions.
- E. Within thirty (30) days of receiving a written request from County, make available any and all information necessary for County to make an accounting of disclosures of County PHI by Contractor.

- F. Within thirty (30) days of receiving a written request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in Contractor's possession constitutes a Designated Record Set.
- G. Not make any disclosure of PHI that County would be prohibited from making.

5. Obligations of County.

- A. County agrees that it will make its best efforts to promptly notify Contractor in writing of any restrictions on the use and disclosure of PHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees that it will make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any Individual to use or disclose PHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees that it make it's best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use of disclosure of PHI.
- D. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by County, except as may be expressly permitted by the Privacy Rule.
- E. County will obtain any authorizations necessary for the use or disclosure of PHI, so that Contractor can perform its obligations under this Addendum and/or the Underlying Agreement.

6. Term and Termination.

- A. Term – this Addendum shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement, except as terminated by County as provided herein.
- B. Termination for Breach – County may terminate this Addendum, effective immediately, without cause, if County, in its sole discretion, determines that Contractor has breached a material provision of this Addendum. Alternatively, County may choose to provide Contractor with notice of the existence of an alleged material breach and afford Contractor with an opportunity to cure the alleged material breach. In the event Contractor fails to cure the breach to the satisfaction of County in a timely manner, County reserves the right to immediately terminate this Addendum.
- C. Effect of Termination – upon termination of this Addendum, for any reason, Contractor shall return or destroy all PHI received from the County, or created or received by Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI which is in possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.

- D. Destruction not Feasible – in the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide written notification to County of the conditions which make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI.

7. Hold Harmless/Indemnification

Contractor shall indemnify and hold harmless all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Contractor from indemnifying the County to the fullest extent allowed by law.

In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.

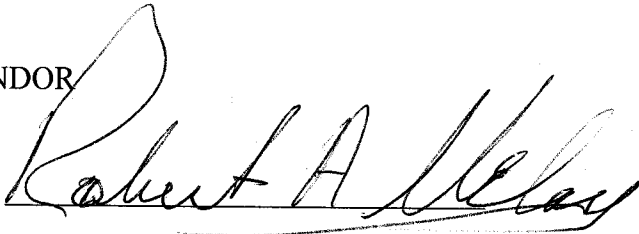
8. General Provisions.

- A. Amendment – the parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with the Privacy Rule and HIPAA generally.
- B. Survival – the respective rights and obligations of this Addendum shall survive the termination or expiration of this Addendum.
- C. Regulatory References – a reference in this Addendum to a section in the Privacy Rule means the section as in effect or as amended.
- D. Conflicts – any ambiguity in this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule and HIPAA generally.
- E. Interpretation of Addendum – this Addendum shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as set forth below:

VENDOR

By:

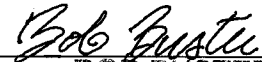


Date:

5/18/11

COUNTY OF RIVERSIDE

By:



**BOB BUSTER
CHAIRMAN, BOARD OF SUPERVISORS**

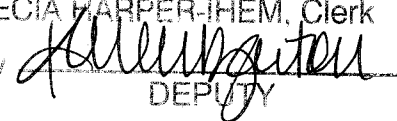
Date:

OCT 25 2011

ATTEST:

KECIA HARPER-IHEM, Clerk

By:


DEPUTY



COUNTY OF
Riverside
HUMAN RESOURCES
Winner IPMA Award for Excellence

4080 Lemon Street, P.O. Box 1569 • Riverside, CA 92502 • (951) 955-3500
44-199 Monroe Street, Suite B • Indio, CA 92201 • (760) 863-8327

BARBARA A. OLIVIER, SPHR
ASST. COUNTY EXECUTIVE OFFICER
HUMAN RESOURCES DIRECTOR

SHAWN ATIN, SPHR
ASST. HUMAN RESOURCES DIRECTOR

**WORKERS' COMPENSATION DIVISION
VENDOR MARKETING GUIDELINES**

As a member of the County of Riverside's panel for referrals, we wanted to take a moment to welcome you and to outline the marketing guidelines for our division. As a vendor you have no obligation to market your services. We have always held that a job well done is sufficient to continue to be used by our adjusters. We also understand keeping your name before adjusters does help bring you to mind when it is time to assign a case. Some vendors have sought to perform additional marketing and so these guidelines should help to avoid any problems or conflicts of interest that might damage our relationship.

The County of Riverside holds to the Labor Code 3820 standard that any form of compensation, inducement or remuneration for referral of business is a violation of the Fraud Law and such matters will have to be referred to our Special Investigation Unit. The following are permitted:

1. Offers to provide training and educational programs. Hotels, travel, gifts, etc are not.
2. Marketing items such as pens, stickies, and inexpensive items are permitted
3. Visit to the office to drop off Awards, reports or film is allowed. Brief visits to discuss cases or issues are appropriate. Disrupting the work of the office is not.
 - a. Bringing individual items: gift cards, or gifts to the adjuster; is not allowed
 - b. Occasionally dropping off pastries, cookies or fruit for the office as a whole is allowed but not expected. It should be limited and not for every visit.
4. Meals are generally not allowed unless the County employee pays for his/her own meal.
 - a. Where there is a need to meet to discuss a case and the County employee is out of the office for a training, appearance before the WCAB, etc. Meals are allowed but costs should be kept reasonable.
 - b. Meals should be within the regular time allowed for meals unless prior authorization is obtained or the meal is not during business hours.
5. Holidays and special events do create opportunities for gift giving, marketing, etc. Please limit such actions to the office as a whole and not individually, make prior arrangements with management, and make sure marketing is appropriate. Alcohol, trips, expensive gifts and gift cards are not allowed.
6. The rule is, if you are unsure marketing is appropriate, please discuss with management before proceeding.

Workers' Compensation Division
P.O. Box 1120, Riverside, CA 92502-1120 (951) 955-3530 Fax (951) 955-3544

COUNTY OF RIVERSIDE
AGREEMENT FOR SERVICES

THIS Agreement is entered into in the State of California by and between the COUNTY OF RIVERSIDE, hereafter referred to as "County," and various vendors who are approved to represent the County, more specifically, by the name of **INSIGHT SUBROSA GROUP**, hereafter referred to as "Vendor."

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the Vendor is familiar with and is competent in the area of expertise to which they are approved to represent the County and are qualified to represent the County's interest.

NOW, THEREFORE, in consideration of the remuneration hereinafter set forth, the Vendor agrees to the scope of work as provided by the County on the following terms and conditions:

1. Vendor shall have the right to decline any case referred by the County. Vendor shall determine that they will have no conflict of interest should they accept the assigned case. Further, acceptance of an assignment by Vendor shall place the Vendor and each and every one of his/her employees under the same Contract of Confidentiality as any County employee, in that Vendor and his/her employees may not discuss the facts of the case or release any information concerning the case and/or investigation to any party other than the Workers' Compensation Division, unless authorized in advanced to do so by the Claims Adjuster and/or Workers' Compensation Officer.
2. Each case referred to Vendor by County shall be submitted with the understanding that professional fees shall be paid at the rate of \$60.00 per hour, as outlined on Attachment A and effective for any work performed after this contract is approved by the Board of Supervisors.
3. The Vendor shall contact the County's Worker's Compensation Officer or designee for scope of work. Some of the types of service to be performed are listed on Attachment A, item 5.
4. This agreement shall be administered by the Human Resources/Workers' Compensation Division. All communications and billings in connection herewith shall be directed to County of Riverside, Workers' Compensation Division, P. O. Box 1120, Riverside, CA 92502-1102.
5. **All communications shall be done in a professional and non-discriminatory manner. Unprofessional comments, observations,**

statements are not allowed. This includes any belittling of the worker, applicant attorney, vendors, judges, etc. Any comments that could be construed as discriminatory, off-color, racist, sexist or exaggerations are not permitted. All communications should be written as if it might eventually be read by the person discussed in the communication.

- 6. Investigators shall take all steps possible to preserve and protect the privacy of any document. As such, any privacy sensitive document such as medical records, personnel documents, depositions, etc shall only be sent by e-mail where the e-mail is encrypted and protected from computer hackers. If this is not possible, then such documents shall only be submitted to the Workers' Compensation Division and other members involved in litigation of a claim via regular U .S. Postal services, delivery services, hand delivered or by FAX. Where encryption of e-mails is not available, the Investigator shall make only general statements and information when e-mailing the Workers' Compensation Division. Any sensitive information, recommendations or observations shall be provided to the Workers' Compensation Division by a more secure form of communication.**

7. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

The Investigator(s) in this Agreement are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, and the laws and regulations promulgated subsequent thereto. The Investigator(s) hereto agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under this Law. The Investigator(s) further agree that it shall be in compliance, and shall remain in compliance with the requirement of HIPAA, and the laws and regulations promulgated subsequent hereto, as may be amended from time to time.

Investigator(s) agree to execute and abide by all terms and conditions of the County of Riverside's Board of Supervisors' Policy B-23, and of the Business Associate Agreement as attached hereto as Schedule B.

8. WORKERS' COMPENSATION FRAUD TRAINING

The Investigator(s) assigned to work cases for the County of Riverside per this contract shall attend any seminars, workshops, or classes requested by the Workers' Compensation Division and conducted by the County of

Riverside's District Attorney's office for the purpose of training Investigator(s) in investigating and preparing a workers' compensation for referral to the District Attorney's Office or the Department of Insurance Fraud Bureau for a party's possible violation of the Workers' Compensation Fraud Law.

9. The Vendor shall comply with the County of Riverside's guidelines.
10. The terms of this agreement shall be from the date as shown herein or any amendments thereto and shall continue until terminated as set forth herein. Either party to this agreement shall have the right to terminate this agreement at any time by giving thirty (30) days notice of such termination to the other party.
11. Should any party to this agreement choose to terminate this agreement, Vendor shall continue to provide services on any cases remaining if so agreed to, in writing, by the County's Workers Compensation Officer or designee and Vendor, and the Vendor shall be compensated therefore on the same terms and conditions as set forth until the conclusion of such case(s) for any cases previously referred to them (prior to the notice of cancellations).
12. Insurance

Without limiting or diminishing the Vendor' obligation to indemnify or hold the County harmless, Vendor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement.

 - A. Workers' Compensation:

If the Vendor has employees as defined by the State of California, the Vendor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. The policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.
 - B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage and employment practices liability, covering claims which may arise from or out of Vendor' performance of its obligations hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000

per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Vendor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

D. Professional Liability Insurance:

Vendor shall maintain Professional Liability Insurance providing coverage for the Vendor' performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Vendor' Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and Vendor shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that Vendor has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this Agreement.

E. General Insurance Provisions - All lines:

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) The Vendor' insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self insured retention's unacceptable to the County, and at the election of the

Country's Risk Manager, Vendor' carriers shall either; 1) reduce or eliminate such deductibles or self-insured retention's as respects this Agreement with the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

- 3) Vendor shall cause Vendor's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. *Vendor shall not commence operations until the County has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*
- 4) It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 5) The County's Reserved Rights--Insurance. If this Agreement, including any extensions thereof, exceeds five (5) years the County reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Vendor has become inadequate.

- 6) Vendor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
- 7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County.
- 8) Vendor agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

13. Indemnification

Vendor shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Vendor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Vendor, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Vendor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged liability.

With respect to any action or claim subject to indemnification herein by Vendor, Vendor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Vendor' indemnification to County as set forth herein.

Vendor' obligation hereunder shall be satisfied when Vendor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe Vendor' obligations to indemnify and hold harmless the County herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Vendor from indemnifying the County to the fullest extent allowed by law.

COUNTY OF RIVERSIDE

By Bob Buster
Chairman, Board of Supervisors
BOB BUSTER

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board

By [Signature]
Deputy

VENDOR
Insight Subrosa Group

Vendor Name
By [Signature]
(Name)

OWNER
(Title)

Place corporate seal here

FORM APPROVED COUNTY COUNSEL
BY: [Signature]
NEAL R. KIPNIS DATE 10/25/11

HIPAA Business Associate Agreement
Addendum to Contract

Schedule B

Between the County of Riverside and

Insight Subrosa Group

This HIPAA Business Associate Agreement Addendum (“Addendum”) supplements, and is made part of the **Agreement for Services** (the “Underlying Agreement”) between the COUNTY OF RIVERSIDE (“County”) and Insight Subrosa Group (“Contractor”) as of the date of approval by both parties 7/1/011.

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which Contractor provides services to County, and in conjunction with the provision of such services certain Protected Health Information (“PHI”) may be made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act, Pub. L. No. 104-161 of 1996 (“HIPAA”), more specifically the regulations found at Title 45, CFR, Parts 160 and 164 (the “Privacy Rule”), as may be amended from time to time, which are applicable to the protection of any disclosure of PHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, Contractor, when a recipient of PHI from County, is a Business Associate as defined in the Privacy Rule; and,

WHEREAS, the parties agree that any disclosure or use of PHI be in compliance with the Privacy Rule or other applicable law;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Definitions. Unless otherwise provided in this Addendum, capitalized terms shall have the same meanings as set forth in the Privacy Rule, as may be amended from time to time.
2. Scope of Use and Disclosure by Contractor of County Disclosed PHI
 - A. Contractor shall be permitted to use PHI disclosed to it by the County:
 - (1) on behalf of the County, or to provide services to the County for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule if done by the County, or the minimum necessary policies and procedures of the County
 - (2) as necessary to perform any and all of its obligations under the Underlying Agreement.

- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or Required by Law, Contractor may:
- (1) use the PHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - (2) disclose the PHI in its possession to a third party for the purpose of Contractor's proper management and administration or to fulfill any legal responsibilities of Contractor. Contractor may disclose PHI as necessary for Contractor's operations only if:
 - (a) The disclosure is Required by Law; or
 - (b) Contractor obtains written assurances from any person or organization to which Contractor will disclose such PHI that the person or organization will:
 - (i) hold such PHI in confidence and use or further disclose it only for the purpose of which Contractor disclosed it to the third party, or as Required by Law; and,
 - (ii) the third party will notify Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - (3) aggregate the PHI and/or aggregate the PHI with that of other data for the purpose of providing County with data analyses related to the Underlying Agreement, or any other purpose, financial or otherwise, as requested by County.
 - (4) not disclose PHI disclosed to Contractor by County not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI as authorized in writing by County.
 - (5) de-identify any and all PHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Contractor agrees that it will neither use nor disclose PHI it receives from County, or from another business associate of County, except as permitted or required by this Addendum, or as Required by Law, or as otherwise permitted by law.

3. Obligations of Contractor. In connection with its use of PHI disclosed by County to Contractor, Contractor agrees to:

- A. Use or disclose PHI only as permitted or required by this Addendum or as Required by Law.
- B. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Addendum.

- C. To the extent practicable, mitigate any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of this Addendum.
 - D. Report to County any use or disclosure of PHI not provided for by this Addendum of which Contractor becomes aware.
 - E. Require sub-contractors or agents to whom Contractor provides PHI to agree to the same restrictions and conditions that apply to Contractor pursuant to this Addendum.
 - F. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use or disclosure of PHI created or received for or from the County.
 - G. Obtain and maintain knowledge of the applicable laws and regulations related to HIPAA, as may be amended from time to time.
4. PHI Access, Amendment and Disclosure Accounting. Contractor agrees to:
- A. Provide access, at the request of County, within five (5) days, to PHI in a Designated Record Set, to the County, or to an Individual as directed by the County.
 - B. To make any amendment(s) to PHI in a Designated Record Set that the County directs or agrees to at the request of County or an Individual within sixty (60) days of the request of County.
 - C. To assist the County in meeting its disclosure accounting under HIPAA:
 - (1) Contractor agrees to document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (2) Contractor agrees to provide to County or an Individual, within sixty (60) days, information collected in accordance with this section to permit the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (3) Contractor shall have available for the County the information required by this section for the six (6) years preceding the County's request for information (except the Contractor need have no information for disclosures occurring before April 14, 2003).
 - D. Make available to the County, or to the Secretary of Health and Human Services, Contractor's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining Contractor's compliance with the Privacy Rule, subject to any applicable legal restrictions.
 - E. Within thirty (30) days of receiving a written request from County, make available any and all information necessary for County to make an accounting of disclosures of County PHI by Contractor.

- F. Within thirty (30) days of receiving a written request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in Contractor's possession constitutes a Designated Record Set.
- G. Not make any disclosure of PHI that County would be prohibited from making.

5. Obligations of County.

- A. County agrees that it will make its best efforts to promptly notify Contractor in writing of any restrictions on the use and disclosure of PHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees that it will make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any Individual to use or disclose PHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees that it make it's best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use of disclosure of PHI.
- D. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by County, except as may be expressly permitted by the Privacy Rule.
- E. County will obtain any authorizations necessary for the use or disclosure of PHI, so that Contractor can perform its obligations under this Addendum and/or the Underlying Agreement.

6. Term and Termination.

- A. Term – this Addendum shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement, except as terminated by County as provided herein.
- B. Termination for Breach – County may terminate this Addendum, effective immediately, without cause, if County, in its sole discretion, determines that Contractor has breached a material provision of this Addendum. Alternatively, County may choose to provide Contractor with notice of the existence of an alleged material breach and afford Contractor with an opportunity to cure the alleged material breach. In the event Contractor fails to cure the breach to the satisfaction of County in a timely manner, County reserves the right to immediately terminate this Addendum.
- C. Effect of Termination – upon termination of this Addendum, for any reason, Contractor shall return or destroy all PHI received from the County, or created or received by Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI which is in possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.

D. Destruction not Feasible – in the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide written notification to County of the conditions which make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI.

7. Hold Harmless/Indemnification

Contractor shall indemnify and hold harmless all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Contractor from indemnifying the County to the fullest extent allowed by law.

In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.

8. General Provisions.

- A. Amendment – the parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with the Privacy Rule and HIPAA generally.
- B. Survival – the respective rights and obligations of this Addendum shall survive the termination or expiration of this Addendum.
- C. Regulatory References – a reference in this Addendum to a section in the Privacy Rule means the section as in effect or as amended.
- D. Conflicts – any ambiguity in this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule and HIPAA generally.
- E. Interpretation of Addendum – this Addendum shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA.


IN WITNESS WHEREOF, the parties hereto have executed this Addendum as set forth below:

VENDOR

By: 

Date: 5/20/11

COUNTY OF RIVERSIDE

By: 
BOB BUSTER
CHAIRMAN, BOARD OF SUPERVISORS

Date: OCT 25 2011

ATTEST:

KECIA HARPER-IHEM, Clerk

By: 
DEPUTY

Attachment A

For use with the **AGREEMENT FOR SERVICE**

1. Area of Services to be performed: General and Auto Liability
 Medical Malpractice
 Workers' Compensation
 Other _____

Hourly rate: \$60.00

- Additional Expenses 51¢ / mile
Other \$150.00 per diem/day

- Billing Cycle: Quarterly
 Monthly
 Special: Invoice to accompany each investigative report submitted

Effective date of Contract: Effective date signed by Board of Supervisors until June 30, 2014

2. Administered by: County of Riverside
Workers' Compensation
P. O. Box 1120
Riverside, CA 92502
951-955-3530
951-955-3544 (fax)

3. Contract is for: Panel
 Single case assignment
 Other _____

4. Name & Address of Vendor: INSIGHT SUBROSA GROUP
P. O. Box 5189
Fullerton, CA 92838

5. Type of Services: Investigations
 AOE/COE
 Sub Rosa
 Fraud & Specialty cases
 Photocopy
 Medical Cost Containment
 Other

COUNTY OF RIVERSIDE WORKERS' COMPENSATION DIVISION
INVESTIGATION GUIDELINES

CLAIMS PHILOSOPHY:

Our claims philosophy is to be as aggressive in providing timely benefits and effective medical treatment on compensable claims as we are in fighting fraud or abuse of the system. The County of Riverside will generally begin with the concept that the employee is credible, and that events related concerning the injury are correct and true. Where there are indications to the contrary; the County of Riverside will shift into a neutral position on the claim and conduct discovery to collect enough evidence to determine the truth of the claim.

INVESTIGATION PROCESS:

The claims adjuster is the party that makes the final decision on the claim as to whether or not a claim should be accepted or denied. The investigator is a collection center to obtain evidence in the form of:

1. Statements – These should be in the form of a recorded statement to ensure that not only the information is correctly preserved, but the tone of the conversation and the emotions of the person being recorded can be determined. The investigator shall obtain the permission of the person being recorded. The investigator shall identify on the recording that the statement is being recorded and obtain the person's permission on tape that the recording is allowed. Should the investigator need to stop the recording, then the investigator needs to state on the recording that the recording is ending and advise the person whose statement is being taken that the recording is ending. If recording resumes, the investigator shall obtain the permission of the person on tape once more and identify that the statement is being recorded before resuming.

Where a party refuses to give a recorded statement, the investigator shall not attempt to record the party. Other methods shall be used to documents and preserve the information provided in the statement to the best of the investigator's ability. Where possible, a written statement signed and dated by the party is encouraged as an alternative to a recorded statement.

2. Records and Documents – There are basic documents that will be needed depending on the nature of the claim, the allegations, and the legal issues that may be raised. In most situations, the claims

adjuster can obtain these records and documents through their own contacts. However, where the claims adjuster has requested the investigator to obtain records or documents, if the investigator becomes aware of additional records or documents, the investigator should contact the claims adjuster or senior claims adjuster to determine if these additional records or documents should be obtained. Where these records or documents can be obtained at no additional charge, then the investigator is free to use his/her judgment in obtaining the additional records or documents. Certain records and documents are protected and the privacy of these documents must be respected. Examples of such documents are credit reports/ratings and bank account information.

3. Physical evidence – Where a third party may be responsible for the injury or a products liability case is a potential, then the investigator should work with the claims adjuster and the party with physical possession of the evidence to ensure that it is protected and a chain of possession can be established. Before physically removing physical evidence and transporting it back to the County of Riverside's Workers' Compensation Division, the investigator must discuss options and needs for the evidence with the claims adjuster or senior claims adjuster.
4. Sub-rosa – Only investigators trained in surveillance techniques and with experience in sub-rosa will be assigned to conduct sub-rosa on a case. The sub-rosa investigator must maintain safety and compliance with all privacy laws at all times. Entrapment is not allowed. Acting in an unsafe manner, creating a risk of danger to the investigator, the subject of the investigation or the public is not allowed. Violating a person's privacy is not allowed. If there is an expectation of privacy; then that expectation must be respected.

At no time shall a person's conversation or voice be recorded without their knowledge and permission.

When conducting sub-rosa on law enforcement or firefighters, the policy of the County of Riverside is that only retired law enforcement may be used to conduct sub-rosa on these employees.

It is understood that not every scenario can be prepared for; and there may be those times where the investigator may have his/her cover blown. It is mandatory that the investigator maintain a profession attitude, and act in a safe manner. Before disclosing the nature of the work or the assignment, the investigator is expected

to have a cover story in place to reduce the damage to the case. Should an investigator see indications that the cover may be blown or that the condition create a high potential of exposure, the investigator must break off the sub-rosa and leave the area in a safe manner.

Where the investigator's cover is blown, or if the investigator must break off sub-rosa or suspects they have been compromised, the investigator shall leave the area immediately in a safe manner and then contact the Workers' Compensation Division immediately to report the situation.

PROFESSIONALISM:

All communications, whether in the form of reports, e-mails, FAXs or phone conversation shall be kept at the highest level of professional standards. At no time shall the investigator belittle, insult, make fun of, slur, slam, use derogatory names or statement when referring to any party. Each report, conversation, document, etc shall be created with the intent that it will be presented to the party investigated and carried the potential of becoming a news story either in the newspaper, television or internet. Each case carries the potential of referral to the District Attorney and law requires that all evidence be turned over to the person accused of the crime. Any of the above practices can weaken the chances of a successful prosecution and will not be allowed.

CREDIBILITY:

It should go without saying, but just to ensure all parties understand the philosophy of the Workers' Compensation Division. It is our goal to uncover the truth. For this reason, the credibility of the investigator must be of the highest standard. Evidence must not be slanted, edited, or misrepresented from the actual event or conversation. All evidence must represent the most accurate account of the events filmed, or statement obtained. Any indication that evidence has been tampered, slanted or misrepresented will result in the investigator being barred from any further assignment for the County of Riverside.

ADDITIONAL STAFF:

The cost of an investigation is a consideration in the workers' Compensation Division's assignment of a case for outside investigation services. The investigator will not add additional investigators, staff, or hours/days to an assignment without first getting authorization from either the claims adjuster or the senior claims adjuster. To perform any of these actions may result in the investigator being forced to bear the cost of the additional investigators, staff, expenses, etc.

COST CONTAINMENT:

The Workers' Compensation Division strives to maintain a high quality of claims handling, while at the same time practicing common sense cost containment. Where information or results can be obtained at a less expensive method, the claims adjuster is encouraged to do so. This attitude should be adopted by the investigator and staff, and it is expected that he/she work with the County of Riverside to find more cost effective methods at obtaining the same or similar results needed in an investigation.

DECISION-MAKING:

It is the claims adjuster that makes the determination with regards to the compensability or non-compensability of a case. The investigator shall refrain from making recommendation as to whether an injury is covered or rises to the level of fraud either in writing or in communications with the claims adjuster. The investigator should present the evidence in its most credible form, reflecting the events as they happened or statements as they were given and leave the editorializing or decision making to the claims adjuster.

Investigative reports must refrain from trying to create a slant or indication as to which way the decision should go. When taking statements the investigator must not give his/her opinion as to the outcome of the investigation.

HOSTILE FREE ENVIRONMENT:

It is the policy of the County of Riverside to provide its employees a hostile/violence free work environment. This should extend to the claims investigation process as well.

Witnesses and subjects must not be pressures, threatened or encouraged to withdraw claims, provide statement, or encouraged pursue claims, obtain attorneys or dismiss attorneys. These can all be considered unfair claims practices under the insurance Code. These choices must always be the sole decision of the employee/witness. If the investigator perceives that the subject is becoming uncomfortable or threatened by the statement process; the investigator will give the party the opportunity to discontinue the statement.

The foregoing is not meant to be burdensome - it is meant to control and manage our costs as well as to be knowledgeable and involved with each of our cases. It is also designed to help the County of Riverside and the investigator to avoid potential issues that might lead to injury of the investigator or litigation for invasion of privacy or malicious prosecution. The cooperation of the investigator and his/her staff in meeting these goals is appreciated.



COUNTY OF
Riverside
HUMAN RESOURCES
Winner IPMA Award for Excellence

4080 Lemon Street, P.O. Box 1569 • Riverside, CA 92502 • (951) 955-3500
44-199 Monroe Street, Suite B • Indio, CA 92201 • (760) 863-8327

BARBARA A. OLIVIER, SPHR
ASST. COUNTY EXECUTIVE OFFICER
HUMAN RESOURCES DIRECTOR

SHAWN ATIN, SPHR
ASST. HUMAN RESOURCES DIRECTOR

**WORKERS' COMPENSATION DIVISION
VENDOR MARKETING GUIDELINES**

As a member of the County of Riverside's panel for referrals, we wanted to take a moment to welcome you and to outline the marketing guidelines for our division. As a vendor you have no obligation to market your services. We have always held that a job well done is sufficient to continue to be used by our adjusters. We also understand keeping your name before adjusters does help bring you to mind when it is time to assign a case. Some vendors have sought to perform additional marketing and so these guidelines should help to avoid any problems or conflicts of interest that might damage our relationship.

The County of Riverside holds to the Labor Code 3820 standard that any form of compensation, inducement or remuneration for referral of business is a violation of the Fraud Law and such matters will have to be referred to our Special Investigation Unit. The following are permitted:

1. Offers to provide training and educational programs. Hotels, travel, gifts, etc are not.
2. Marketing items such as pens, stickies, and inexpensive items are permitted
3. Visit to the office to drop off Awards, reports or film is allowed. Brief visits to discuss cases or issues are appropriate. Disrupting the work of the office is not.
 - a. Bringing individual items: gift cards, or gifts to the adjuster; is not allowed
 - b. Occasionally dropping off pastries, cookies or fruit for the office as a whole is allowed but not expected. It should be limited and not for every visit.
4. Meals are generally not allowed unless the County employee pays for his/her own meal.
 - a. Where there is a need to meet to discuss a case and the County employee is out of the office for a training, appearance before the WCAB, etc. Meals are allowed but costs should be kept reasonable.
 - b. Meals should be within the regular time allowed for meals unless prior authorization is obtained or the meal is not during business hours.
5. Holidays and special events do create opportunities for gift giving, marketing, etc. Please limit such actions to the office as a whole and not individually, make prior arrangements with management, and make sure marketing is appropriate. Alcohol, trips, expensive gifts and gift cards are not allowed.
6. The rule is, if you are unsure marketing is appropriate, please discuss with management before proceeding.

Workers' Compensation Division
P.O. Box 1120, Riverside, CA 92502-1120 (951) 955-3530 Fax (951) 955-3544

COUNTY OF RIVERSIDE
AGREEMENT FOR SERVICES

THIS Agreement is entered into in the State of California by and between the COUNTY OF RIVERSIDE, hereafter referred to as "County," and various vendors who are approved to represent the County, more specifically, by the name of **RJN INVESTIGATIONS, INC.**, hereafter referred to as "Vendor."

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the Vendor is familiar with and is competent in the area of expertise to which they are approved to represent the County and are qualified to represent the County's interest.

NOW, THEREFORE, in consideration of the remuneration hereinafter set forth, the Vendor agrees to the scope of work as provided by the County on the following terms and conditions:

1. Vendor shall have the right to decline any case referred by the County. Vendor shall determine that they will have no conflict of interest should they accept the assigned case. Further, acceptance of an assignment by Vendor shall place the Vendor and each and every one of his/her employees under the same Contract of Confidentiality as any County employee, in that Vendor and his/her employees may not discuss the facts of the case or release any information concerning the case and/or investigation to any party other than the Workers' Compensation Division, unless authorized in advanced to do so by the Claims Adjuster and/or Workers' Compensation Officer.
2. Each case referred to Vendor by County shall be submitted with the understanding that professional fees shall be paid at the rate of \$60.00 per hour, as outlined on Attachment A and effective for any work performed after this contract is approved by the Board of Supervisors.
3. The Vendor shall contact the County's Worker's Compensation Officer or designee for scope of work. Some of the types of service to be performed are listed on Attachment A, item 5.
4. This agreement shall be administered by the Human Resources/Workers' Compensation Division. All communications and billings in connection herewith shall be directed to County of Riverside, Workers' Compensation Division, P. O. Box 1120, Riverside, CA 92502-1102.
5. All communications shall be done in a professional and non-discriminatory manner. Unprofessional comments, observations, statements are not

allowed. This includes any belittling of the worker, applicant attorney, vendors, judges, etc. Any comments that could be construed as discriminatory, off-color, racist, sexist or exaggerations are not permitted. All communications should be written as if it might eventually be read by the person discussed in the communication.

6. Investigators shall take all steps possible to preserve and protect the privacy of any document. As such, any privacy sensitive document such as medical records, personnel documents, depositions, etc shall only be sent by e-mail where the e-mail is encrypted and protected from computer hackers. If this is not possible, then such documents shall only be submitted to the Workers' Compensation Division and other members involved in litigation of a claim via regular U.S. Postal services, delivery services, hand delivered or by FAX. Where encryption of e-mails is not available, the Investigator shall make only general statements and information when e-mailing the Workers' Compensation Division. Any sensitive information, recommendations or observations shall be provided to the Workers' Compensation Division by a more secure form of communication.

7. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

The Investigator(s) in this Agreement are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, and the laws and regulations promulgated subsequent thereto. The Investigator(s) hereto agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under this Law. The Investigator(s) further agree that it shall be in compliance, and shall remain in compliance with the requirement of HIPAA, and the laws and regulations promulgated subsequent hereto, as may be amended from time to time.

Investigator(s) agree to execute and abide by all terms and conditions of the County of Riverside's Board of Supervisors' Policy B-23, and of the Business Associate Agreement as attached hereto as Schedule B.

8. WORKERS' COMPENSATION FRAUD TRAINING

The Investigator(s) assigned to work cases for the County of Riverside per this contract shall attend any seminars, workshops, or classes requested by the Workers' Compensation Division and conducted by the County of Riverside's District Attorney's office for the purpose of training Investigator(s) in investigating and preparing a workers' compensation for referral to the

District Attorney's Office or the Department of Insurance Fraud Bureau for a party's possible violation of the Workers' Compensation Fraud Law.

9. The Vendor shall comply with the County of Riverside's guidelines.
10. The terms of this agreement shall be from the date as shown herein or any amendments thereto and shall continue until terminated as set forth herein. Either party to this agreement shall have the right to terminate this agreement at any time by giving thirty (30) days notice of such termination to the other party.
11. Should any party to this agreement choose to terminate this agreement, Vendor shall continue to provide services on any cases remaining if so agreed to, in writing, by the County's Workers Compensation Officer or designee and Vendor, and the Vendor shall be compensated therefore on the same terms and conditions as set forth until the conclusion of such case(s) for any cases previously referred to them (prior to the notice of cancellations).
12. Insurance

Without limiting or diminishing the Vendor' obligation to indemnify or hold the County harmless, Vendor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement.

 - A. Workers' Compensation:

If the Vendor has employees as defined by the State of California, the Vendor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. The policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.
 - B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage and employment practices liability, covering claims which may arise from or out of Vendor' performance of its obligations hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than

two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Vendor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

D. Professional Liability Insurance:

Vendor shall maintain Professional Liability Insurance providing coverage for the Vendor' performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Vendor' Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and Vendor shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that Vendor has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this Agreement.

E. General Insurance Provisions - All lines:

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) The Vendor' insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self insured retention's unacceptable to the County, and at the election of the Country's Risk Manager, Vendor' carriers shall either; 1) reduce or eliminate such deductibles or self-insured retention's as respects this Agreement with

the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

- 3) Vendor shall cause Vendor's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. *Vendor shall not commence operations until the County has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*
- 4) It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 5) The County's Reserved Rights--Insurance. If this Agreement, including any extensions thereof, exceeds five (5) years the County reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Vendor has become inadequate.
- 6) Vendor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

- 7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County.
- 8) Vendor agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

13. Indemnification

Vendor shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Vendor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Vendor, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Vendor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged liability.

With respect to any action or claim subject to indemnification herein by Vendor, Vendor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Vendor' indemnification to County as set forth herein.

Vendor' obligation hereunder shall be satisfied when Vendor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe Vendor' obligations to indemnify and hold harmless the County herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782.

Such interpretation shall not relieve the Vendor from indemnifying the County to the fullest extent allowed by law.

COUNTY OF RIVERSIDE

By Bob Buster
Chairman, Board of Supervisors
BOB BUSTER

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board

By Kalunggan
Deputy

FORM APPROVED COUNTY COUNSEL
BY: Neal R. Kipnis DATE 7/10/11

VENDOR

RJN INVESTIGATIONS, INC.

Vendor Name [Signature]
By [Signature]
(Name)

PRESIDENT

(Title)

Place corporate seal here

HIPAA Business Associate Agreement
Addendum to Contract

Schedule B

Between the County of Riverside and

RJN Investigation

This HIPAA Business Associate Agreement Addendum ("Addendum") supplements, and is made part of the **Agreement for Services** (the "Underlying Agreement") between the COUNTY OF RIVERSIDE ("County") and RJN Investigation ("Contractor") as of the date of approval by both parties 7/1/2011.

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which Contractor provides services to County, and in conjunction with the provision of such services certain Protected Health Information ("PHI") may be made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act, Pub. L. No. 104-161 of 1996 ("HIPAA"), more specifically the regulations found at Title 45, CFR, Parts 160 and 164 (the "Privacy Rule"), as may be amended from time to time, which are applicable to the protection of any disclosure of PHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, Contractor, when a recipient of PHI from County, is a Business Associate as defined in the Privacy Rule; and,

WHEREAS, the parties agree that any disclosure or use of PHI be in compliance with the Privacy Rule or other applicable law;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Definitions. Unless otherwise provided in this Addendum, capitalized terms shall have the same meanings as set forth in the Privacy Rule, as may be amended from time to time.
2. Scope of Use and Disclosure by Contractor of County Disclosed PHI
 - A. Contractor shall be permitted to use PHI disclosed to it by the County:
 - (1) on behalf of the County, or to provide services to the County for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule if done by the County, or the minimum necessary policies and procedures of the County
 - (2) as necessary to perform any and all of its obligations under the Underlying Agreement.

- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or Required by Law, Contractor may:
- (1) use the PHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - (2) disclose the PHI in its possession to a third party for the purpose of Contractor's proper management and administration or to fulfill any legal responsibilities of Contractor. Contractor may disclose PHI as necessary for Contractor's operations only if:
 - (a) The disclosure is Required by Law; or
 - (b) Contractor obtains written assurances from any person or organization to which Contractor will disclose such PHI that the person or organization will:
 - (i) hold such PHI in confidence and use or further disclose it only for the purpose of which Contractor disclosed it to the third party, or as Required by Law; and,
 - (ii) the third party will notify Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - (3) aggregate the PHI and/or aggregate the PHI with that of other data for the purpose of providing County with data analyses related to the Underlying Agreement, or any other purpose, financial or otherwise, as requested by County.
 - (4) not disclose PHI disclosed to Contractor by County not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI as authorized in writing by County.
 - (5) de-identify any and all PHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Contractor agrees that it will neither use nor disclose PHI it receives from County, or from another business associate of County, except as permitted or required by this Addendum, or as Required by Law, or as otherwise permitted by law.

3. Obligations of Contractor. In connection with its use of PHI disclosed by County to Contractor, Contractor agrees to:

- A. Use or disclose PHI only as permitted or required by this Addendum or as Required by Law.
- B. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Addendum.

- C. To the extent practicable, mitigate any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of this Addendum.
 - D. Report to County any use or disclosure of PHI not provided for by this Addendum of which Contractor becomes aware.
 - E. Require sub-contractors or agents to whom Contractor provides PHI to agree to the same restrictions and conditions that apply to Contractor pursuant to this Addendum.
 - F. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use or disclosure of PHI created or received for or from the County.
 - G. Obtain and maintain knowledge of the applicable laws and regulations related to HIPAA, as may be amended from time to time.
4. PHI Access, Amendment and Disclosure Accounting. Contractor agrees to:
- A. Provide access, at the request of County, within five (5) days, to PHI in a Designated Record Set, to the County, or to an Individual as directed by the County.
 - B. To make any amendment(s) to PHI in a Designated Record Set that the County directs or agrees to at the request of County or an Individual within sixty (60) days of the request of County.
 - C. To assist the County in meeting its disclosure accounting under HIPAA:
 - (1) Contractor agrees to document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (2) Contractor agrees to provide to County or an Individual, within sixty (60) days, information collected in accordance with this section to permit the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (3) Contractor shall have available for the County the information required by this section for the six (6) years preceding the County's request for information (except the Contractor need have no information for disclosures occurring before April 14, 2003).
 - D. Make available to the County, or to the Secretary of Health and Human Services, Contractor's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining Contractor's compliance with the Privacy Rule, subject to any applicable legal restrictions.
 - E. Within thirty (30) days of receiving a written request from County, make available any and all information necessary for County to make an accounting of disclosures of County PHI by Contractor.

- F. Within thirty (30) days of receiving a written request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in Contractor's possession constitutes a Designated Record Set.
- G. Not make any disclosure of PHI that County would be prohibited from making.

5. Obligations of County.

- A. County agrees that it will make its best efforts to promptly notify Contractor in writing of any restrictions on the use and disclosure of PHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees that it will make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any Individual to use or disclose PHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees that it make it's best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use of disclosure of PHI.
- D. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by County, except as may be expressly permitted by the Privacy Rule.
- E. County will obtain any authorizations necessary for the use or disclosure of PHI, so that Contractor can perform its obligations under this Addendum and/or the Underlying Agreement.

6. Term and Termination.

- A. Term – this Addendum shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement, except as terminated by County as provided herein.
- B. Termination for Breach – County may terminate this Addendum, effective immediately, without cause, if County, in its sole discretion, determines that Contractor has breached a material provision of this Addendum. Alternatively, County may choose to provide Contractor with notice of the existence of an alleged material breach and afford Contractor with an opportunity to cure the alleged material breach. In the event Contractor fails to cure the breach to the satisfaction of County in a timely manner, County reserves the right to immediately terminate this Addendum.
- C. Effect of Termination – upon termination of this Addendum, for any reason, Contractor shall return or destroy all PHI received from the County, or created or received by Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI which is in possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.

- D. Destruction not Feasible – in the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide written notification to County of the conditions which make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI.

7. Hold Harmless/Indemnification

Contractor shall indemnify and hold harmless all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Contractor from indemnifying the County to the fullest extent allowed by law.

In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.

8. General Provisions.

- A. Amendment – the parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with the Privacy Rule and HIPAA generally.
- B. Survival – the respective rights and obligations of this Addendum shall survive the termination or expiration of this Addendum.
- C. Regulatory References – a reference in this Addendum to a section in the Privacy Rule means the section as in effect or as amended.
- D. Conflicts – any ambiguity in this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule and HIPAA generally.
- E. Interpretation of Addendum – this Addendum shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as set forth below:

VENDOR

By: _____

Date: 6-15-2011

COUNTY OF RIVERSIDE

By: Bob Buster

BOB BUSTER
CHAIRMAN, BOARD OF SUPERVISORS

Date: OCT 25 2011

ATTEST:

KECIA HARPER-IHEM, Clerk

By: [Signature]

DEPUTY

For use with the **AGREEMENT FOR SERVICE**

1. Area of Services to be performed: General and Auto Liability
 Medical Malpractice
 Workers' Compensation
 Other _____
- Hourly rate: \$60.00
- Additional Expenses 51¢ / mile
Other \$150.00 per diem/day
- Billing Cycle: Quarterly
 Monthly
 Special: Invoice to accompany each investigative report submitted
- Effective date of Contract: Effective date signed by Board of Supervisors until June 30, 2014
2. Administered by: County of Riverside
Workers' Compensation
P. O. Box 1120
Riverside, CA 92502
951-955-3530
951-955-3544 (fax)
3. Contract is for: Panel
 Single case assignment
 Other _____
4. Name & Address of Vendor: R.J.N. INVESTIGATIONS, INC.
P. O. BOX 55451
RIVERSIDE, CA 92517
5. Type of Services: Investigations
 AOE/COE
 Sub Rosa
 Fraud & Specialty cases
 Photocopy
 Medical Cost Containment
 Other

COUNTY OF RIVERSIDE WORKERS' COMPENSATION DIVISION
INVESTIGATION GUIDELINES

CLAIMS PHILOSOPHY:

Our claims philosophy is to be as aggressive in providing timely benefits and effective medical treatment on compensable claims as we are in fighting fraud or abuse of the system. The County of Riverside will generally begin with the concept that the employee is credible, and that events related concerning the injury are correct and true. Where there are indications to the contrary; the County of Riverside will shift into a neutral position on the claim and conduct discovery to collect enough evidence to determine the truth of the claim.

INVESTIGATION PROCESS:

The claims adjuster is the party that makes the final decision on the claim as to whether or not a claim should be accepted or denied. The investigator is a collection center to obtain evidence in the form of:

1. Statements – These should be in the form of a recorded statement to ensure that not only the information is correctly preserved, but the tone of the conversation and the emotions of the person being recorded can be determined. The investigator shall obtain the permission of the person being recorded. The investigator shall identify on the recording that the statement is being recorded and obtain the person's permission on tape that the recording is allowed. Should the investigator need to stop the recording, then the investigator needs to state on the recording that the recording is ending and advise the person whose statement is being taken that the recording is ending. If recording resumes, the investigator shall obtain the permission of the person on tape once more and identify that the statement is being recorded before resuming.

Where a party refuses to give a recorded statement, the investigator shall not attempt to record the party. Other methods shall be used to documents and preserve the information provided in the statement to the best of the investigator's ability. Where possible, a written statement signed and dated by the party is encouraged as an alternative to a recorded statement.

2. Records and Documents – There are basic documents that will be needed depending on the nature of the claim, the allegations, and the legal issues that may be raised. In most situations, the claims

adjuster can obtain these records and documents through their own contacts. However, where the claims adjuster has requested the investigator to obtain records or documents, if the investigator becomes aware of additional records or documents, the investigator should contact the claims adjuster or senior claims adjuster to determine if these additional records or documents should be obtained. Where these records or documents can be obtained at no additional charge, then the investigator is free to use his/her judgment in obtaining the additional records or documents. Certain records and documents are protected and the privacy of these documents must be respected. Examples of such documents are credit reports/ratings and bank account information.

3. Physical evidence – Where a third party may be responsible for the injury or a products liability case is a potential, then the investigator should work with the claims adjuster and the party with physical possession of the evidence to ensure that it is protected and a chain of possession can be established. Before physically removing physical evidence and transporting it back to the County of Riverside's Workers' Compensation Division, the investigator must discuss options and needs for the evidence with the claims adjuster or senior claims adjuster.
4. Sub-rosa – Only investigators trained in surveillance techniques and with experience in sub-rosa will be assigned to conduct sub-rosa on a case. The sub-rosa investigator must maintain safety and compliance with all privacy laws at all times. Entrapment is not allowed. Acting in an unsafe manner, creating a risk of danger to the investigator, the subject of the investigation or the public is not allowed. Violating a person's privacy is not allowed. If there is an expectation of privacy; then that expectation must be respected.

At no time shall a person's conversation or voice be recorded without their knowledge and permission.

When conducting sub-rosa on law enforcement or firefighters, the policy of the County of Riverside is that only retired law enforcement may be used to conduct sub-rosa on these employees.

It is understood that not every scenario can be prepared for; and there may be those times where the investigator may have his/her cover blown. It is mandatory that the investigator maintain a profession attitude, and act in a safe manner. Before disclosing the nature of the work or the assignment, the investigator is expected

to have a cover story in place to reduce the damage to the case. Should an investigator see indications that the cover may be blown or that the condition create a high potential of exposure, the investigator must break off the sub-rosa and leave the area in a safe manner.

Where the investigator's cover is blown, or if the investigator must break off sub-rosa or suspects they have been compromised, the investigator shall leave the area immediately in a safe manner and then contact the Workers' Compensation Division immediately to report the situation.

PROFESSIONALISM:

All communications, whether in the form of reports, e-mails, FAXs or phone conversation shall be kept at the highest level of professional standards. At no time shall the investigator belittle, insult, make fun of, slur, slam, use derogatory names or statement when referring to any party. Each report, conversation, document, etc shall be created with the intent that it will be presented to the party investigated and carried the potential of becoming a news story either in the newspaper, television or internet. Each case carries the potential of referral to the District Attorney and law requires that all evidence be turned over to the person accused of the crime. Any of the above practices can weaken the chances of a successful prosecution and will not be allowed.

CREDIBILITY:

It should go without saying, but just to ensure all parties understand the philosophy of the Workers' Compensation Division. It is our goal to uncover the truth. For this reason, the credibility of the investigator must be of the highest standard. Evidence must not be slanted, edited, or misrepresented from the actual event or conversation. All evidence must represent the most accurate account of the events filmed, or statement obtained. Any indication that evidence has been tampered, slanted or misrepresented will result in the investigator being barred from any further assignment for the County of Riverside.

ADDITIONAL STAFF:

The cost of an investigation is a consideration in the workers' Compensation Division's assignment of a case for outside investigation services. The investigator will not add additional investigators, staff, or hours/days to an assignment without first getting authorization from either the claims adjuster or the senior claims adjuster. To perform any of these actions may result in the investigator being forced to bear the cost of the additional investigators, staff, expenses, etc.

COST CONTAINMENT:

The Workers' Compensation Division strives to maintain a high quality of claims handling, while at the same time practicing common sense cost containment. Where information or results can be obtained at a less expensive method, the claims adjuster is encouraged to do so. This attitude should be adopted by the investigator and staff, and it is expected that he/she work with the County of Riverside to find more cost effective methods at obtaining the same or similar results needed in an investigation.

DECISION-MAKING:

It is the claims adjuster that makes the determination with regards to the compensability or non-compensability of a case. The investigator shall refrain from making recommendation as to whether an injury is covered or rises to the level of fraud either in writing or in communications with the claims adjuster. The investigator should present the evidence in its most credible form, reflecting the events as they happened or statements as they were given and leave the editorializing or decision making to the claims adjuster.

Investigative reports must refrain from trying to create a slant or indication as to which way the decision should go. When taking statements the investigator must not give his/her opinion as to the outcome of the investigation.

HOSTILE FREE ENVIRONMENT:

It is the policy of the County of Riverside to provide its employees a hostile/violence free work environment. This should extend to the claims investigation process as well.

Witnesses and subjects must not be pressures, threatened or encouraged to withdraw claims, provide statement, or encouraged pursue claims, obtain attorneys or dismiss attorneys. These can all be considered unfair claims practices under the insurance Code. These choices must always be the sole decision of the employee/witness. If the investigator perceives that the subject is becoming uncomfortable or threatened by the statement process; the investigator will give the party the opportunity to discontinue the statement.

The foregoing is not meant to be burdensome - it is meant to control and manage our costs as well as to be knowledgeable and involved with each of our cases. It is also designed to help the County of Riverside and the investigator to avoid potential issues that might lead to injury of the investigator or litigation for invasion of privacy or malicious prosecution. The cooperation of the investigator and his/her staff in meeting these goals is appreciated.



COUNTY OF
Riverside
HUMAN RESOURCES
Winner IPMA Award for Excellence

4080 Lemon Street, P.O. Box 1569 • Riverside, CA 92502 • (951) 955-3500
44-199 Monroe Street, Suite B • Indio, CA 92201 • (760) 863-8327

BARBARA A. OLIVIER, SPHR
ASST. COUNTY EXECUTIVE OFFICER
HUMAN RESOURCES DIRECTOR

SHAWN ATIN, SPHR
ASST. HUMAN RESOURCES DIRECTOR

**WORKERS' COMPENSATION DIVISION
VENDOR MARKETING GUIDELINES**

As a member of the County of Riverside's panel for referrals, we wanted to take a moment to welcome you and to outline the marketing guidelines for our division. As a vendor you have no obligation to market your services. We have always held that a job well done is sufficient to continue to be used by our adjusters. We also understand keeping your name before adjusters does help bring you to mind when it is time to assign a case. Some vendors have sought to perform additional marketing and so these guidelines should help to avoid any problems or conflicts of interest that might damage our relationship.

The County of Riverside holds to the Labor Code 3820 standard that any form of compensation, inducement or remuneration for referral of business is a violation of the Fraud Law and such matters will have to be referred to our Special Investigation Unit. The following are permitted:

1. Offers to provide training and educational programs. Hotels, travel, gifts, etc are not.
2. Marketing items such as pens, stickies, and inexpensive items are permitted
3. Visit to the office to drop off Awards, reports or film is allowed. Brief visits to discuss cases or issues are appropriate. Disrupting the work of the office is not.
 - a. Bringing individual items: gift cards, or gifts to the adjuster; is not allowed
 - b. Occasionally dropping off pastries, cookies or fruit for the office as a whole is allowed but not expected. It should be limited and not for every visit.
4. Meals are generally not allowed unless the County employee pays for his/her own meal.
 - a. Where there is a need to meet to discuss a case and the County employee is out of the office for a training, appearance before the WCAB, etc. Meals are allowed but costs should be kept reasonable.
 - b. Meals should be within the regular time allowed for meals unless prior authorization is obtained or the meal is not during business hours.
5. Holidays and special events do create opportunities for gift giving, marketing, etc. Please limit such actions to the office as a whole and not individually, make prior arrangements with management, and make sure marketing is appropriate. Alcohol, trips, expensive gifts and gift cards are not allowed.
6. The rule is, if you are unsure marketing is appropriate, please discuss with management before proceeding.

Workers' Compensation Division
P.O. Box 1120, Riverside, CA 92502-1120 (951) 955-3530 Fax (951) 955-3544

COUNTY OF RIVERSIDE
AGREEMENT FOR SERVICES

THIS Agreement is entered into in the State of California by and between the COUNTY OF RIVERSIDE, hereafter referred to as "County," and various vendors who are approved to represent the County, more specifically, by the name of **RAY FARMER INVESTIGATIONS**, hereafter referred to as "Vendor."

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the Vendor is familiar with and is competent in the area of expertise to which they are approved to represent the County and are qualified to represent the County's interest.

NOW, THEREFORE, in consideration of the remuneration hereinafter set forth, the Vendor agrees to the scope of work as provided by the County on the following terms and conditions:

1. Vendor shall have the right to decline any case referred by the County. Vendor shall determine that they will have no conflict of interest should they accept the assigned case. Further, acceptance of an assignment by Vendor shall place the Vendor and each and every one of his/her employees under the same Contract of Confidentiality as any County employee, in that Vendor and his/her employees may not discuss the facts of the case or release any information concerning the case and/or investigation to any party other than the Workers' Compensation Division, unless authorized in advanced to do so by the Claims Adjuster and/or Workers' Compensation Officer.
2. Each case referred to Vendor by County shall be submitted with the understanding that professional fees shall be paid at the rate of \$60.00 per hour, as outlined on Attachment A and effective for any work performed after this contract is approved by the Board of Supervisors.
3. The Vendor shall contact the County's Worker's Compensation Officer or designee for scope of work. Some of the types of service to be performed are listed on Attachment A, item 5.
4. This agreement shall be administered by the Human Resources/Workers' Compensation Division. All communications and billings in connection herewith shall be directed to County of Riverside, Workers' Compensation Division, P. O. Box 1120, Riverside, CA 92502-1102.
5. All communications shall be done in a professional and non-discriminatory manner. Unprofessional comments, observations, statements are not

OCT 25 2011 3.16

allowed. This includes any belittling of the worker, applicant attorney, vendors, judges, etc. Any comments that could be construed as discriminatory, off-color, racist, sexist or exaggerations are not permitted. All communications should be written as if it might eventually be read by the person discussed in the communication.

6. Investigators shall take all steps possible to preserve and protect the privacy of any document. As such, any privacy sensitive document such as medical records, personnel documents, depositions, etc shall only be sent by e-mail where the e-mail is encrypted and protected from computer hackers. If this is not possible, then such documents shall only be submitted to the Workers' Compensation Division and other members involved in litigation of a claim via regular U.S. Postal services, delivery services, hand delivered or by FAX. Where encryption of e-mails is not available, the Investigator shall make only general statements and information when e-mailing the Workers' Compensation Division. Any sensitive information, recommendations or observations shall be provided to the Workers' Compensation Division by a more secure form of communication.

7. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

The Investigator(s) in this Agreement are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, and the laws and regulations promulgated subsequent thereto. The Investigator(s) hereto agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under this Law. The Investigator(s) further agree that it shall be in compliance, and shall remain in compliance with the requirement of HIPAA, and the laws and regulations promulgated subsequent hereto, as may be amended from time to time.

Investigator(s) agree to execute and abide by all terms and conditions of the County of Riverside's Board of Supervisors' Policy B-23, and of the Business Associate Agreement as attached hereto as Schedule B.

8. WORKERS' COMPENSATION FRAUD TRAINING

The Investigator(s) assigned to work cases for the County of Riverside per this contract shall attend any seminars, workshops, or classes requested by the Workers' Compensation Division and conducted by the County of Riverside's District Attorney's office for the purpose of training Investigator(s) in investigating and preparing a workers' compensation for referral to the

District Attorney's Office or the Department of Insurance Fraud Bureau for a party's possible violation of the Workers' Compensation Fraud Law.

9. The Vendor shall comply with the County of Riverside's guidelines.
10. The terms of this agreement shall be from the date as shown herein or any amendments thereto and shall continue until terminated as set forth herein. Either party to this agreement shall have the right to terminate this agreement at any time by giving thirty (30) days notice of such termination to the other party.
11. Should any party to this agreement choose to terminate this agreement, Vendor shall continue to provide services on any cases remaining if so agreed to, in writing, by the County's Workers Compensation Officer or designee and Vendor, and the Vendor shall be compensated therefore on the same terms and conditions as set forth until the conclusion of such case(s) for any cases previously referred to them (prior to the notice of cancellations).
12. Insurance
Without limiting or diminishing the Vendor' obligation to indemnify or hold the County harmless, Vendor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement.

A. Workers' Compensation:

If the Vendor has employees as defined by the State of California, the Vendor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. The policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage and employment practices liability, covering claims which may arise from or out of Vendor' performance of its obligations hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than

two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Vendor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

D. Professional Liability Insurance:

Vendor shall maintain Professional Liability Insurance providing coverage for the Vendor' performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Vendor' Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and Vendor shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that Vendor has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this Agreement.

E. General Insurance Provisions - All lines:

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) The Vendor' insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self insured retention's unacceptable to the County, and at the election of the Country's Risk Manager, Vendor' carriers shall either; 1) reduce or eliminate such deductibles or self-insured retention's as respects this Agreement with

the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

- 3) Vendor shall cause Vendor's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. *Vendor shall not commence operations until the County has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*
- 4) It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 5) The County's Reserved Rights--Insurance. If this Agreement, including any extensions thereof, exceeds five (5) years the County reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Vendor has become inadequate.
- 6) Vendor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

- 7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the County.
- 8) Vendor agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

13. Indemnification

Vendor shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Vendor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Vendor, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Vendor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged liability.

With respect to any action or claim subject to indemnification herein by Vendor, Vendor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Vendor' indemnification to County as set forth herein.

Vendor' obligation hereunder shall be satisfied when Vendor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe Vendor' obligations to indemnify and hold harmless the County herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782.

Such interpretation shall not relieve the Vendor from indemnifying the County to the fullest extent allowed by law.

COUNTY OF RIVERSIDE

By Bob Buster
Chairman, Board of Supervisors

BOB BUSTER

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board

By [Signature]
Deputy

VENDOR
Ray Farmer Investigations

Vendor Name

By [Signature]
(Name)

OWNER
(Title)

Place corporate seal here

FORM APPROVED COUNTY COUNSEL

BY: [Signature] DATE 7/19/11
NEAL R. KIPNIS

HIPAA Business Associate Agreement
Addendum to Contract

Schedule B

Between the County of Riverside and

Ray Farmer Investigations

This HIPAA Business Associate Agreement Addendum ("Addendum") supplements, and is made part of the **Agreement for Services** (the "Underlying Agreement") between the COUNTY OF RIVERSIDE ("County") and Ray Farmer Investigations ("Contractor") as of the date of approval by both parties 7/1/2011.

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which Contractor provides services to County, and in conjunction with the provision of such services certain Protected Health Information ("PHI") may be made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act, Pub. L. No. 104-161 of 1996 ("HIPAA"), more specifically the regulations found at Title 45, CFR, Parts 160 and 164 (the "Privacy Rule"), as may be amended from time to time, which are applicable to the protection of any disclosure of PHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, Contractor, when a recipient of PHI from County, is a Business Associate as defined in the Privacy Rule; and,

WHEREAS, the parties agree that any disclosure or use of PHI be in compliance with the Privacy Rule or other applicable law;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Definitions. Unless otherwise provided in this Addendum, capitalized terms shall have the same meanings as set forth in the Privacy Rule, as may be amended from time to time.
2. Scope of Use and Disclosure by Contractor of County Disclosed PHI
 - A. Contractor shall be permitted to use PHI disclosed to it by the County:
 - (1) on behalf of the County, or to provide services to the County for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule if done by the County, or the minimum necessary policies and procedures of the County
 - (2) as necessary to perform any and all of its obligations under the Underlying Agreement.

- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or Required by Law, Contractor may:
- (1) use the PHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - (2) disclose the PHI in its possession to a third party for the purpose of Contractor's proper management and administration or to fulfill any legal responsibilities of Contractor. Contractor may disclose PHI as necessary for Contractor's operations only if:
 - (a) The disclosure is Required by Law; or
 - (b) Contractor obtains written assurances from any person or organization to which Contractor will disclose such PHI that the person or organization will:
 - (i) hold such PHI in confidence and use or further disclose it only for the purpose of which Contractor disclosed it to the third party, or as Required by Law; and,
 - (ii) the third party will notify Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - (3) aggregate the PHI and/or aggregate the PHI with that of other data for the purpose of providing County with data analyses related to the Underlying Agreement, or any other purpose, financial or otherwise, as requested by County.
 - (4) not disclose PHI disclosed to Contractor by County not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI as authorized in writing by County.
 - (5) de-identify any and all PHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Contractor agrees that it will neither use nor disclose PHI it receives from County, or from another business associate of County, except as permitted or required by this Addendum, or as Required by Law, or as otherwise permitted by law.

3. Obligations of Contractor. In connection with its use of PHI disclosed by County to Contractor, Contractor agrees to:

- A. Use or disclose PHI only as permitted or required by this Addendum or as Required by Law.
- B. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Addendum.

- C. To the extent practicable, mitigate any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of this Addendum.
- D. Report to County any use or disclosure of PHI not provided for by this Addendum of which Contractor becomes aware.
- E. Require sub-contractors or agents to whom Contractor provides PHI to agree to the same restrictions and conditions that apply to Contractor pursuant to this Addendum.
- F. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use or disclosure of PHI created or received for or from the County.
- G. Obtain and maintain knowledge of the applicable laws and regulations related to HIPAA, as may be amended from time to time.

4. PHI Access, Amendment and Disclosure Accounting. Contractor agrees to:

- A. Provide access, at the request of County, within five (5) days, to PHI in a Designated Record Set, to the County, or to an Individual as directed by the County.
- B. To make any amendment(s) to PHI in a Designated Record Set that the County directs or agrees to at the request of County or an Individual within sixty (60) days of the request of County.
- C. To assist the County in meeting its disclosure accounting under HIPAA:
 - (1) Contractor agrees to document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (2) Contractor agrees to provide to County or an Individual, within sixty (60) days, information collected in accordance with this section to permit the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (3) Contractor shall have available for the County the information required by this section for the six (6) years preceding the County's request for information (except the Contractor need have no information for disclosures occurring before April 14, 2003).
- D. Make available to the County, or to the Secretary of Health and Human Services, Contractor's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining Contractor's compliance with the Privacy Rule, subject to any applicable legal restrictions.
- E. Within thirty (30) days of receiving a written request from County, make available any and all information necessary for County to make an accounting of disclosures of County PHI by Contractor.

- F. Within thirty (30) days of receiving a written request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in Contractor's possession constitutes a Designated Record Set.
- G. Not make any disclosure of PHI that County would be prohibited from making.

5. Obligations of County.

- A. County agrees that it will make its best efforts to promptly notify Contractor in writing of any restrictions on the use and disclosure of PHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees that it will make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any Individual to use or disclose PHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees that it make it's best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use of disclosure of PHI.
- D. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by County, except as may be expressly permitted by the Privacy Rule.
- E. County will obtain any authorizations necessary for the use or disclosure of PHI, so that Contractor can perform its obligations under this Addendum and/or the Underlying Agreement.

6. Term and Termination.

- A. Term – this Addendum shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement, except as terminated by County as provided herein.
- B. Termination for Breach – County may terminate this Addendum, effective immediately, without cause, if County, in its sole discretion, determines that Contractor has breached a material provision of this Addendum. Alternatively, County may choose to provide Contractor with notice of the existence of an alleged material breach and afford Contractor with an opportunity to cure the alleged material breach. In the event Contractor fails to cure the breach to the satisfaction of County in a timely manner, County reserves the right to immediately terminate this Addendum.
- C. Effect of Termination – upon termination of this Addendum, for any reason, Contractor shall return or destroy all PHI received from the County, or created or received by Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI which is in possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.

- D. Destruction not Feasible – in the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide written notification to County of the conditions which make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI.

7. Hold Harmless/Indemnification

Contractor shall indemnify and hold harmless all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards all Agencies, Districts, Special Districts and Departments of the County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Contractor from indemnifying the County to the fullest extent allowed by law.

In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.

8. General Provisions.

- A. Amendment – the parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with the Privacy Rule and HIPAA generally.
- B. Survival – the respective rights and obligations of this Addendum shall survive the termination or expiration of this Addendum.
- C. Regulatory References – a reference in this Addendum to a section in the Privacy Rule means the section as in effect or as amended.
- D. Conflicts – any ambiguity in this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule and HIPAA generally.
- E. Interpretation of Addendum – this Addendum shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as set forth below:

VENDOR

By: _____



Date: _____

05-23-2011

COUNTY OF RIVERSIDE

By: _____



BOB BUSTER

CHAIRMAN, BOARD OF SUPERVISORS

Date: _____

OCT 25 2011

ATTEST:

KECIA HARPER-IHEM, Clerk

By: _____



DEPUTY

COUNTY OF RIVERSIDE WORKERS' COMPENSATION DIVISION
INVESTIGATION GUIDELINES

CLAIMS PHILOSOPHY:

Our claims philosophy is to be as aggressive in providing timely benefits and effective medical treatment on compensable claims as we are in fighting fraud or abuse of the system. The County of Riverside will generally begin with the concept that the employee is credible, and that events related concerning the injury are correct and true. Where there are indications to the contrary; the County of Riverside will shift into a neutral position on the claim and conduct discovery to collect enough evidence to determine the truth of the claim.

INVESTIGATION PROCESS:

The claims adjuster is the party that makes the final decision on the claim as to whether or not a claim should be accepted or denied. The investigator is a collection center to obtain evidence in the form of:

1. Statements – These should be in the form of a recorded statement to ensure that not only the information is correctly preserved, but the tone of the conversation and the emotions of the person being recorded can be determined. The investigator shall obtain the permission of the person being recorded. The investigator shall identify on the recording that the statement is being recorded and obtain the person's permission on tape that the recording is allowed. Should the investigator need to stop the recording, then the investigator needs to state on the recording that the recording is ending and advise the person whose statement is being taken that the recording is ending. If recording resumes, the investigator shall obtain the permission of the person on tape once more and identify that the statement is being recorded before resuming.

Where a party refuses to give a recorded statement, the investigator shall not attempt to record the party. Other methods shall be used to documents and preserve the information provided in the statement to the best of the investigator's ability. Where possible, a written statement signed and dated by the party is encouraged as an alternative to a recorded statement.

2. Records and Documents – There are basic documents that will be needed depending on the nature of the claim, the allegations, and the legal issues that may be raised. In most situations, the claims

adjuster can obtain these records and documents through their own contacts. However, where the claims adjuster has requested the investigator to obtain records or documents, if the investigator becomes aware of additional records or documents, the investigator should contact the claims adjuster or senior claims adjuster to determine if these additional records or documents should be obtained. Where these records or documents can be obtained at no additional charge, then the investigator is free to use his/her judgment in obtaining the additional records or documents. Certain records and documents are protected and the privacy of these documents must be respected. Examples of such documents are credit reports/ratings and bank account information.

3. Physical evidence – Where a third party may be responsible for the injury or a products liability case is a potential, then the investigator should work with the claims adjuster and the party with physical possession of the evidence to ensure that it is protected and a chain of possession can be established. Before physically removing physical evidence and transporting it back to the County of Riverside's Workers' Compensation Division, the investigator must discuss options and needs for the evidence with the claims adjuster or senior claims adjuster.
4. Sub-rosa – Only investigators trained in surveillance techniques and with experience in sub-rosa will be assigned to conduct sub-rosa on a case. The sub-rosa investigator must maintain safety and compliance with all privacy laws at all times. Entrapment is not allowed. Acting in an unsafe manner, creating a risk of danger to the investigator, the subject of the investigation or the public is not allowed. Violating a person's privacy is not allowed. If there is an expectation of privacy, then that expectation must be respected.

At no time shall a person's conversation or voice be recorded without their knowledge and permission.

When conducting sub-rosa on law enforcement or firefighters, the policy of the County of Riverside is that only retired law enforcement may be used to conduct sub-rosa on these employees.

It is understood that not every scenario can be prepared for; and there may be those times where the investigator may have his/her cover blown. It is mandatory that the investigator maintain a profession attitude, and act in a safe manner. Before disclosing the nature of the work or the assignment, the investigator is expected

to have a cover story in place to reduce the damage to the case. Should an investigator see indications that the cover may be blown or that the condition create a high potential of exposure, the investigator must break off the sub-rosa and leave the area in a safe manner.

Where the investigator's cover is blown, or if the investigator must break off sub-rosa or suspects they have been compromised, the investigator shall leave the area immediately in a safe manner and then contact the Workers' Compensation Division immediately to report the situation.

PROFESSIONALISM:

All communications, whether in the form of reports, e-mails, FAXs or phone conversation shall be kept at the highest level of professional standards. At no time shall the investigator belittle, insult, make fun of, slur, slam, use derogatory names or statement when referring to any party. Each report, conversation, document, etc shall be created with the intent that it will be presented to the party investigated and carried the potential of becoming a news story either in the newspaper, television or internet. Each case carries the potential of referral to the District Attorney and law requires that all evidence be turned over to the person accused of the crime. Any of the above practices can weaken the chances of a successful prosecution and will not be allowed.

CREDIBILITY:

It should go without saying, but just to ensure all parties understand the philosophy of the Workers' Compensation Division. It is our goal to uncover the truth. For this reason, the credibility of the investigator must be of the highest standard. Evidence must not be slanted, edited, or misrepresented from the actual event or conversation. All evidence must represent the most accurate account of the events filmed, or statement obtained. Any indication that evidence has been tampered, slanted or misrepresented will result in the investigator being barred from any further assignment for the County of Riverside.

ADDITIONAL STAFF:

The cost of an investigation is a consideration in the workers' Compensation Division's assignment of a case for outside investigation services. The investigator will not add additional investigators, staff, or hours/days to an assignment without first getting authorization from either the claims adjuster or the senior claims adjuster. To perform any of these actions may result in the investigator being forced to bear the cost of the additional investigators, staff, expenses, etc.

COST CONTAINMENT:

The Workers' Compensation Division strives to maintain a high quality of claims handling, while at the same time practicing common sense cost containment. Where information or results can be obtained at a less expensive method, the claims adjuster is encouraged to do so. This attitude should be adopted by the investigator and staff, and it is expected that he/she work with the County of Riverside to find more cost effective methods at obtaining the same or similar results needed in an investigation.

DECISION-MAKING:

It is the claims adjuster that makes the determination with regards to the compensability or non-compensability of a case. The investigator shall refrain from making recommendation as to whether an injury is covered or rises to the level of fraud either in writing or in communications with the claims adjuster. The investigator should present the evidence in its most credible form, reflecting the events as they happened or statements as they were given and leave the editorializing or decision making to the claims adjuster.

Investigative reports must refrain from trying to create a slant or indication as to which way the decision should go. When taking statements the investigator must not give his/her opinion as to the outcome of the investigation.

HOSTILE FREE ENVIRONMENT:

It is the policy of the County of Riverside to provide its employees a hostile/violence free work environment. This should extend to the claims investigation process as well.

Witnesses and subjects must not be pressures, threatened or encouraged to withdraw claims, provide statement, or encouraged pursue claims, obtain attorneys or dismiss attorneys. These can all be considered unfair claims practices under the insurance Code. These choices must always be the sole decision of the employee/witness. If the investigator perceives that the subject is becoming uncomfortable or threatened by the statement process; the investigator will give the party the opportunity to discontinue the statement.

The foregoing is not meant to be burdensome - it is meant to control and manage our costs as well as to be knowledgeable and involved with each of our cases. It is also designed to help the County of Riverside and the investigator to avoid potential issues that might lead to injury of the investigator or litigation for invasion of privacy or malicious prosecution. The cooperation of the investigator and his/her staff in meeting these goals is appreciated.

Attachment A

For use with the **AGREEMENT FOR SERVICE**

1. Area of Services to be performed: General and Auto Liability
 Medical Malpractice
 Workers' Compensation
 Other _____
- Hourly rate: \$60.00
- Additional Expenses 51¢ / mile
Other \$150.00 per diem/day
- Billing Cycle: Quarterly
 Monthly
 Special: Invoice to accompany each investigative report submitted
- Effective date of Contract: Effective date signed by Board of Supervisors until June 30, 2014
2. Administered by: County of Riverside
Workers' Compensation
P. O. Box 1120
Riverside, CA 92502
951-955-3530
951955-3544 (fax)
3. Contract is for: Panel
 Single case assignment
 Other _____
4. Name & Address of Vendor: RAY FARMER INVESTIGATIONS
P. O. Box 385
RIALTO, CA 92377
5. Type of Services: Investigations
 AOE/COE
 Sub Rosa
 Fraud & Specialty cases
 Photocopy
 Medical Cost Containment
 Other



COUNTY OF
Riverside
HUMAN RESOURCES
Winner IPMA Award for Excellence

4080 Lemon Street, P.O. Box 1569 • Riverside, CA 92502 • (951) 955-3500
44-199 Monroe Street, Suite B • Indio, CA 92201 • (760) 863-8327

BARBARA A. OLIVIER, SPHR
ASST. COUNTY EXECUTIVE OFFICER
HUMAN RESOURCES DIRECTOR

SHAWN ATIN, SPHR
ASST. HUMAN RESOURCES DIRECTOR

**WORKERS' COMPENSATION DIVISION
VENDOR MARKETING GUIDELINES**

As a member of the County of Riverside's panel for referrals, we wanted to take a moment to welcome you and to outline the marketing guidelines for our division. As a vendor you have no obligation to market your services. We have always held that a job well done is sufficient to continue to be used by our adjusters. We also understand keeping your name before adjusters does help bring you to mind when it is time to assign a case. Some vendors have sought to perform additional marketing and so these guidelines should help to avoid any problems or conflicts of interest that might damage our relationship.

The County of Riverside holds to the Labor Code 3820 standard that any form of compensation, inducement or remuneration for referral of business is a violation of the Fraud Law and such matters will have to be referred to our Special Investigation Unit. The following are permitted:

1. Offers to provide training and educational programs. Hotels, travel, gifts, etc are not.
2. Marketing items such as pens, stickies, and inexpensive items are permitted
3. Visit to the office to drop off Awards, reports or film is allowed. Brief visits to discuss cases or issues are appropriate. Disrupting the work of the office is not.
 - a. Bringing individual items: gift cards, or gifts to the adjuster; is not allowed
 - b. Occasionally dropping off pastries, cookies or fruit for the office as a whole is allowed but not expected. It should be limited and not for every visit.
4. Meals are generally not allowed unless the County employee pays for his/her own meal.
 - a. Where there is a need to meet to discuss a case and the County employee is out of the office for a training, appearance before the WCAB, etc. Meals are allowed but costs should be kept reasonable.
 - b. Meals should be within the regular time allowed for meals unless prior authorization is obtained or the meal is not during business hours.
5. Holidays and special events do create opportunities for gift giving, marketing, etc. Please limit such actions to the office as a whole and not individually, make prior arrangements with management, and make sure marketing is appropriate. Alcohol, trips, expensive gifts and gift cards are not allowed.
6. The rule is, if you are unsure marketing is appropriate, please discuss with management before proceeding.

Workers' Compensation Division
P.O. Box 1120, Riverside, CA 92502-1120 (951) 955-3530 Fax (951) 955-3544